

Manitoba  
Housing and  
Community Development

Annual Report  
2012 – 2013

Manitoba 





MINISTER  
OF HOUSING AND COMMUNITY  
DEVELOPMENT

Room 358  
Legislative Building  
Winnipeg, Manitoba R3C 0V8  
CANADA

September 2013

His Honour the Honourable Philip S. Lee, C.M., O.M.  
Lieutenant Governor of Manitoba  
Room 235, Legislative Building  
Winnipeg, Manitoba  
R3C 0V8

May It Please Your Honour:

I have the pleasure of presenting the Annual Report of the Department of Housing and Community Development for the Province of Manitoba for the year 2012/13.

Respectfully submitted,

**Original Signed by Kerri Irvin-Ross**

Kerri Irvin-Ross







MINISTRE DE LOGEMENT ET  
DÉVELOPPEMENT COMMUNAUTAIRE

Bureau 358  
Palais législatif  
Winnipeg (Manitoba) R3C 0V8  
CANADA

Septembre 2013

Son Honneur l'honorable Philip S. Lee, C.M., O.M.  
Lieutenant-gouverneur du Manitoba  
Palais législatif, bureau 235  
Winnipeg (Manitoba)  
R3C 0V8

Monsieur le Lieutenant-Gouverneur,

J'ai le privilège de vous présenter le rapport annuel du ministère du Logement et du Développement Communautaire de la Province du Manitoba pour l'exercice 2012-2013.

Veuillez agréer, Monsieur le Lieutenant-Gouverneur, l'expression de mes sentiments les plus respectueux.

**Original singé par Kerri Irvin-Ross**

Kerri Irvin-Ross







Deputy Minister of Housing and Community Development  
Legislative Building, Winnipeg, Manitoba, Canada, R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

September 2013  
The Honourable Kerri Irvin-Ross  
Minister of Housing and Community Development  
358 Legislative Building

Dear Madam,

I have the honour of presenting to you the Annual Report for the Department of Housing and Community Development for the fiscal year ending March 31, 2013. This report highlights major achievements as we continue to fulfill our departmental priorities.

Our Department's role is to promote community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. As a priority of the Government, housing is integral and we strive to safeguard an adequate supply of safe and affordable housing in communities across Manitoba. By embracing a service-oriented approach, our Department continues to foster more positive relationships with our tenants, community residents and stakeholders.

Ensuring Manitobans have access to safe, healthy and affordable housing is a long-term priority for government. In April 2012, the fourth year of a five-year commitment to provide 1,500 new affordable housing units commenced. We have exceeded over eighty percent of the five-year goal. As of March 31, 2013, a commitment was made to build 1,224 new affordable housing units and to provide 1,354 households with Rent-Geared-to-Income assistance.

As highlighted in our Department's Action Plan *Strong Communities*; we are committed to improving and maintaining our social housing stock to ensure it is adequate and suitable for current and future tenants. Building on prior investments, Manitoba Housing made an investment of \$82.5 million towards renovating and repairing the social housing portfolio throughout Manitoba. Through this investment, Housing and Community Development continues to utilize and provide employment and skill development opportunities for local residents.

In 2012/13, a new property management model was introduced to provide an increased level of on-site customer service to our tenants and the broader community. Through a transformation of the property management function, tenants are provided with a single point of contact for matters relating to their tenancy.

We implemented an enhanced security system in our properties and expanded our live-monitored video camera system to increase the well-being and safety of our tenants and employees. We continued to strengthen our partnerships with Citizens on Patrol, Public Safety Investigations Unit of Manitoba Justice, Brandon Police Service, RCMP and the Winnipeg Police Service to raise awareness on security related issues and respond to any incidents; while building safer communities for our clients.

In April 2012, Housing and Community Development took over of administration of existing provincial homelessness programs and assumed the lead role for policy development and project coordination addressing homelessness. One of the goals of *Strong Communities*, Manitoba Housing and Community Development's Action Plan, is to enhance client opportunities and services that



prioritize the provision of housing options for vulnerable populations. By using a "housing first" approach, the Department has been able to expand the number of housing units available for youth and add additional emergency and transitional housing units across the province. We will continue to work with our partners and stakeholders to provide a range of affordable housing options with appropriate supports for individuals at risk of homelessness.

Manitoba Housing continues to address the need for increasing affordable senior and family housing. The 2012/13 fiscal year saw the completion of a new affordable seniors housing project in Dauphin as well as a new affordable housing co-op in Winnipeg.

An Expression of Interest (EOI) for the development of new affordable rental and cooperative family housing was released in the 2011/12 fiscal year. After reviewing the proposals, final EOI projects have been selected. These commitments will be made during the 2013/14 fiscal year where it is anticipated that over \$50 million will be committed to developing more than 200 units.

Support for northern communities continues to be a priority for Manitoba Housing. In 2012/13, we expanded on our renovation and rehabilitation of northern housing units by committing a further \$12.3 million. We also continue to deliver new affordable housing through partnerships with local community groups like Keewatin Housing Association Incorporated. In 2012/13, we added a Homelessness project coordinator in the region to coordinate funding for various programs that support vulnerable persons.

With the continued development of the Neighbourhoods of Bridgwater, one of Winnipeg's most popular neighbourhoods continues to grow at a rapid pace. The 2012/13 fiscal year saw Bridgwater Lakes and Trails begin to develop. These neighbourhoods will contain a combined 2,290 single-family homes and approximately 50 per cent of the lots in Bridgwater Lakes are being developed as visitable housing. All proceeds from the development of the Neighbourhoods of Bridgwater have been reinvested towards revitalizing areas of need under the Housing Development and Rehabilitation Fund. The Bell Hotel and McFeetor's Hall at the University of Winnipeg are examples of such projects that benefitted from the Fund.

In 2012/13, we completed the second year of the three-year Investment in Affordable Housing agreement that Manitoba Housing and Renewal Corporation signed with the federal government. We continue to provide more housing for families, seniors and other citizens who require access to affordable housing. To date, commitments totaling approximately \$40 million have been made for households in need to improve access to affordable housing that are sound, suitable and sustainable.

As part of our key pillar to build strong communities, Manitoba Housing made an investment in 2012/13 to ensure the development of healthy and active children. In partnership with The Winnipeg Foundation and Human Resources and Skills Development Canada, the Growing Active Kids Fund was established to provide an endowment to support an active, healthy lifestyle for youth living in social housing and the surrounding neighbourhoods. In its first year, youth in the Winnipeg neighbourhoods of Gilbert Park and Edgeland have been able to access new forms of recreational, cultural and educational programming.

Housing and Community Development is also playing an important role in facilitating and administering the Roundtable on Community Action Against Child Hunger. This forum will engage government, private and non-profit stakeholders to provide professional expertise and specialized knowledge to reduce the number of children requiring the use of food banks in Manitoba.

For over 25 years, the Community Places Program has continued to deliver community infrastructure investment to all communities across the province. Including the 270 applicants that were approved this fiscal year; a total \$37.4 million has been provided to projects since the program's beginning. In 2012/13, in partnership with Children and Youth Opportunities, the Community Places Program conducted face-to-face and onsite consultations with over 400 community groups to provide advice to improve the quality, economy and sustainability of community projects.

After the success of the International Year of the Co-operatives, Manitoba Housing continues to promote cooperatives throughout the province. Our Community and Cooperative Development Branch continues

to fund initiatives, events and projects to further develop and promote cooperatives. Initiatives such as Youth Cooperatives Services that allows youth to learn cooperative social and business skills while gaining summer employment, and the creation of a Chair in Cooperative Management at the Faculty of Business and Economics at the University of Winnipeg, are examples of activities that received funding during the 2012/13 fiscal year.

In March 2013, our Department began its move to a new Winnipeg Head Office located at 352 Donald Street in the Portage-Ellice neighbourhood of Winnipeg. The move involved relocating staff from several locations across the City to a new, central location. By consolidating many of our operations in one office, we will be able to provide a more cost-effective service delivery, by getting business done more effectively and efficiently. Our move to a central location is also one way in which Housing and Community Development is helping to revitalize Winnipeg.

This Annual Report describes the progress Housing and Community Development has made in meeting our objectives. We look forward in continuing our efforts to provide Manitobans with safe affordable housing and building healthy, safe and sustainable communities.

Respectfully Submitted,

**Original Signed by Joy Cramer**

Joy Cramer



Sous-ministre de Logement et Développement communautaire  
Palais législatif, Winnipeg, Manitoba, Canada, R3C 0V8  
[www.manitoba.ca](http://www.manitoba.ca)

Septembre 2013

Madame Kerri Irvin-Ross  
Ministre de Logement et Développement communautaire  
Palais législatif, bureau 358

Madame la Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère du Logement et du Développement communautaire pour l'exercice ayant pris fin le 31 mars 2013. Le présent rapport souligne les principales réalisations du ministère par rapport aux priorités établies.

Notre ministère a pour rôle de promouvoir le développement communautaire et de permettre aux habitants de participer à des activités qui font la promotion du bien-être et de l'inclusion sociale partout où ils résident. Le logement compte parmi les grandes priorités du gouvernement, qui s'efforce de fournir un stock suffisant de logements sûrs et abordables dans l'ensemble des collectivités du Manitoba. En adoptant une approche axée sur le service, le ministère continue de favoriser des rapports plus positifs avec ses locataires ainsi qu'avec les résidents et les intervenants communautaires.

L'une des priorités à long terme du gouvernement est de faire en sorte que les Manitobains et Manitobaines aient accès à des logements sûrs, sains et abordables. Le mois d'avril 2012 a marqué le début de la quatrième année d'un engagement de cinq ans visant à fournir 1 500 nouveaux logements abordables. Nous avons dépassé 80 % de l'objectif prévu sur cinq ans. Au 31 mars 2013, nous nous sommes engagés à construire 1 224 nouveaux logements abordables et à fournir à 1 354 ménages une aide sous forme de loyer indexé sur le revenu.

Comme le souligne la publication de notre ministère intitulée *Strong Communities: Action Plan*, nous sommes déterminés à améliorer et à entretenir notre inventaire de logements sociaux pour qu'il soit suffisant et qu'il convienne aux locataires actuels et à venir. Au vu des investissements précédents, Logement Manitoba a affecté 82,5 millions de dollars à la rénovation et à la réparation du parc de logements sociaux dans l'ensemble du Manitoba. Grâce à cet investissement, Logement et Développement communautaire continue d'offrir des possibilités d'emploi et de développement des compétences aux résidents locaux.

En 2012-2013, un nouveau modèle de gestion immobilière a été mis en place pour fournir un niveau accru de service à la clientèle à nos locataires et à la collectivité dans son ensemble. Grâce à la transformation de la fonction de gestion immobilière, les locataires auront un seul point de contact pour traiter les questions se rapportant à leur location.

Nous avons mis en place un système de sécurité amélioré dans nos logements et étendu notre système de surveillance vidéo réelle pour accroître le bien-être et la sécurité de nos locataires et employés. Nous avons continué de renforcer nos partenariats avec *Citizens on Patrol*, avec la Section des enquêtes de la sécurité publique de Justice Manitoba, avec le Service de police de Brandon, la GRC et le Service de police de Winnipeg pour accroître la sensibilisation aux questions de sécurité et pour mieux intervenir en cas d'incident, tout en créant des communautés plus sûres pour nos clients.



En avril 2012, Logement et Développement communautaire a pris en charge l'administration des programmes provinciaux en place pour les sans-abri et assumé le rôle principal en vue de l'élaboration d'une politique et de la coordination de projets destinés à lutter contre le sans-abrisme. L'un des objectifs de *Strong Communities, Action Plan* de Logement et Développement communautaire Manitoba est d'améliorer les services à la clientèle et les options de logement pour les populations vulnérables. En adoptant la formule « le logement d'abord », le ministère a réussi à augmenter le nombre de logements destinés aux jeunes et à augmenter le nombre de logements d'urgence et provisoires dans toute la province. Il va continuer de collaborer avec ses partenaires et avec les intervenants pour offrir aux personnes à risque d'être sans-abri toute une gamme de logements assortis de formes de soutien appropriées.

Logement Manitoba continue de répondre à la demande accrue de logements abordables pour les familles et pour les aînés. En 2012-2013, on a assisté à l'achèvement d'un projet de nouveaux logements abordables pour les aînés à Dauphin et à celui d'un projet de nouveaux logements coopératifs abordables à Winnipeg.

Une déclaration d'intérêt concernant la création de nouveaux logements familiaux locatifs et coopératifs abordables a été publiée au cours de l'exercice 2011-2012. L'examen des propositions a été suivi de la sélection de projets. Ces engagements seront pris en 2013-2014 et l'on s'attend à ce que plus de 50 millions de dollars soient affectés à la création de plus de 200 logements.

Logement Manitoba continue d'apporter son soutien aux collectivités du Nord. En 2012-2013, nous avons étendu les travaux de rénovation et de remise en état des logements dans le Nord en y affectant 12,3 millions de dollars supplémentaires. Nous continuons également d'offrir de nouveaux logements abordables grâce à des partenariats avec des groupes communautaires locaux comme la Keewatin Housing Association Incorporated. En 2012-2013, nous avons ajouté un poste de coordonnateur de projet pour les sans-abri de la région. Cette personne est chargée de coordonner le financement de divers programmes destinés à soutenir les personnes vulnérables.

Grâce à l'aménagement de *Neighbourhoods of Bridgwater*, l'un des quartiers les plus populaires de Winnipeg continue de connaître une forte expansion. En 2012-2013, on a assisté au début des travaux du projet *Bridgwater Lakes and Trails*. Ces quartiers comprendront 2 290 maisons unifamiliales et environ la moitié des parcelles de *Bridgwater Lakes* accueilleront des logements visitables. Tous les fonds provenant du produit de la vente des terrains destinés à l'aménagement de *Neighbourhoods of Bridgwater* ont été réinvestis dans la revitalisation de secteurs dans le besoin grâce au Fonds de construction et de remise en état de logements. Ainsi, l'hôtel Bell et le pavillon McFeetor de l'Université de Winnipeg représentent des exemples de projets qui ont bénéficié de ce financement.

L'exercice 2012-2013 a marqué la fin de la deuxième année de l'entente de trois ans sur les investissements dans le logement abordable que la Société d'habitation et de rénovation du Manitoba a signée avec le gouvernement fédéral. Nous continuons de fournir davantage de logements aux familles, aux aînés et à d'autres citoyens qui ont besoin d'accéder à des logements abordables. À ce jour, un total d'environ 40 millions de dollars ont été affectés aux ménages dans le besoin pour améliorer l'accès à des logements abordables qui sont en bon état, adaptés et durables.

Dans le cadre de son engagement à créer des collectivités robustes, en 2012-2013, Logement Manitoba a investi dans le développement d'enfants actifs et en bonne santé. En partenariat avec la Winnipeg Foundation et avec Ressources humaines et Développement des compétences Canada, le *Growing Active Kids Fund* a été mis sur pied pour favoriser un mode de vie sain et actif parmi les jeunes qui habitent dans des logements sociaux et dans les quartiers environnants. Au cours de la première année, des jeunes des quartiers Gilbert Park et Edgeland de Winnipeg ont pu accéder à de nouveaux programmes récréatifs, culturels et éducatifs.

Logement et Développement communautaire Manitoba joue également un rôle important dans l'organisation et l'administration de la Table ronde sur l'action communautaire contre la faim chez les enfants. Dans le cadre de ce forum, les intervenants du gouvernement, du secteur privé et du secteur à

but non lucratif vont fournir l'expertise professionnelle et les connaissances spécialisées qui sont nécessaires pour réduire le nombre d'enfants qui dépendent des banques d'alimentation au Manitoba.

Depuis plus de 25 ans, le programme Place aux communautés investit dans les infrastructures communautaires de toute la province. Y compris les 270 demandes qui ont été approuvées au cours de l'exercice, il a accordé un total de 37,4 millions de dollars pour le financement de divers projets depuis le début du programme. En 2012-2013, en partenariat avec Enfants et Perspectives pour la jeunesse, le programme Place aux communautés a permis de mener des consultations sur place auprès de plus de 400 groupes communautaires et de fournir des conseils sur les façons d'améliorer la qualité, la rentabilité et la durabilité des projets communautaires.

Après le succès de l'Année internationale des coopératives, Logement Manitoba continue de promouvoir les coopératives dans toute la province. La direction du développement communautaire et des coopératives finance des initiatives, des activités et des projets dans le but de renforcer le développement et la promotion des coopératives. Des initiatives comme les *Youth Cooperatives Services*, qui permettent à des jeunes d'acquérir des compétences en activités coopératives et sociales tout en travaillant l'été, et la création d'une chaire en gestion des coopératives au sein de la faculté de commerce et d'économie de l'Université de Winnipeg, sont des exemples d'activités qui ont bénéficié de fonds pendant l'exercice 2012-2013.

En mars 2013, le ministère a commencé à emménager dans un nouveau bureau central à Winnipeg, au 352 de la rue Donald, dans le quartier Portage-Ellice de Winnipeg. Le déménagement a consisté à regrouper le personnel de plusieurs endroits de la ville dans un nouveau lieu central. En rassemblant de nombreuses activités dans un seul bureau, nous serons en mesure de fournir des services plus rentables en travaillant de façon plus efficace et plus efficiente. Notre déménagement dans un endroit central est également une façon pour Logement et Développement communautaire d'aider à revitaliser la ville de Winnipeg.

Ce rapport annuel décrit les progrès accomplis par Logement et Développement communautaire Manitoba dans la réalisation de ses objectifs. Nous allons continuer de nous efforcer à offrir à la population manitobaine des logements sûrs et abordables et à créer des communautés saines, sûres et durables.

Je vous prie, Madame la Ministre, d'agrérer l'assurance de ma haute considération.

**Original singé par Joy Cramer**

Joy Cramer

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## PREFACE

### INTRODUCTION

The Department of Housing and Community Development was established by Order in Council No. 348/2009 on November 3, 2009. The Minister of Housing and Community Development is also the Minister Responsible for the Voluntary Sector.

### REPORT STRUCTURE

The Annual Report is organized in accordance with the Department of Housing and Community Development appropriation structure as set out in the Main Estimates of Expenditures of the Province of Manitoba for the fiscal year ending March 31, 2013. The report includes information at the Main and Sub-Appropriation levels related to the Department's objectives, actual results, financial performance and variances. A five-year adjusted historical table of staffing and expenditures is provided. In addition, expenditure and revenue variance explanations are provided.

### ROLE, MISSION, GOALS AND GUIDING PRINCIPLES

#### Role and Mission

In July 2011, Housing and Community Development announced *Strong Communities: An Action Plan*. This document established a new Vision, Mission and Guiding Principles for the Department and highlights the overall goals and actions that direct the Department's activities.

**VISION:** Strong, healthy and sustainable communities where individuals and families thrive.

**MISSION:** In partnership with Manitobans, we support the positive growth of communities across the Province by providing quality housing and supporting community development.

The Department has a broad mandate including a range of housing and community development programs and initiatives that support community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. Through the activities of The Manitoba Housing and Renewal Corporation, we strive to enhance the quality of life and well-being of Manitobans by providing access to safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also our role to ensure an adequate supply of housing as well as maintain and improve the condition of existing housing stock and stimulate activities within the housing market to the benefit of Manitobans as a whole.

By working together with community partners, we are building communities and revitalizing neighbourhoods while engaging residents in the process. By employing a service-oriented approach to social housing, we are fostering more positive relationships with our tenants, community residents and stakeholders to help house Manitobans.

The Department is responsible for a comprehensive range of housing and community development services and financial assistance programs. Some of these programs and services are delivered directly by the Department, while others are provided in partnership with a variety of private non-profit and community-based groups.

The overall responsibilities of the Minister and the Department include:

- providing policy direction on matters relating to housing and community development;
- providing financial and administrative support for the development, delivery and management of housing and community development programs and operations;
- assisting Manitobans to access safe, appropriate and affordable housing;
- fostering community capacity and engaging the broader community to participate in and contribute to decision-making; and
- providing respectful and appropriate delivery of programs and services.

## **Goals**

- Promote and support community development.
- Build greater community capacity.
- Sustain existing social and affordable housing stock.
- Address affordability and increase supply of quality affordable housing.
- Enhance client opportunities and services.
- Build capacity of Manitoba Housing and Community Development.

## **Guiding Principles**

- **Housing and community development issues are interrelated with health, education and social and economic well-being.** Manitoba Housing and Community Development works with other provincial departments and agencies to develop and deliver appropriate policies and programs.
- **Investment is maximized through efficient and effective use of resources.** Manitoba Housing and Community Development makes the most of its resources by coordinating housing and community development programs and services with other public policy areas.
- **Increase independence and self-reliance of people and their communities.** Provincial housing and community development initiatives help local people meet local needs and support the development of individual and community capacity.
- **Partnerships strengthen the housing environment and our communities.** Governments, community groups, Aboriginal organizations, the private sector and all citizens work together to build communities and support the effective functioning of the housing market.
- **Housing and healthy communities are a shared responsibility.** Individuals, communities, the private and non-profit sectors and all levels of government are responsible for good housing outcomes and healthy communities.
- **Housing and community development activities strive to promote social inclusion.** Citizens are encouraged to help address local issues that affect their lives. We support their efforts to increase economic and social independence, personal accountability, individual choice and the equitable development of Manitoba communities. Manitoba Housing and Community Development activities promote well-being and human dignity, provide local employment, develop local skills and knowledge, and encourage local ownership and decision-making, whenever possible.
- **Strong communities have a range of housing options and community development activities that foster economic, social and environmental goals.** A variety of tools are needed to respond successfully to the changing circumstances of residents and communities.

## **OVERVIEW**

The Department of Housing and Community Development consists of the Crown Corporation The Manitoba Housing and Renewal Corporation (Manitoba Housing), and two distinct program delivery and support service divisions. Manitoba Housing is the owner of all provincial housing assets and is responsible for the delivery of social and affordable housing programs, renovation and repair, and homeownership programs. Manitoba Housing is an approved lender under *The National Housing Act*. The Corporation also manages and develops land held in the provincial Land Bank. This work is accomplished through the Corporation's five branches: Social Housing Management; Asset Management; Northern Housing Operations; Land Development; and Housing Delivery.

The Community Development and Strategic Initiatives Division includes the Community and Cooperative Development Branch that administers the Community Places, Neighbourhoods Alive!, and Cooperative Development Services programs. These programs coordinate and/or deliver programming to assist communities in providing sustainable recreational, social benefits for their communities; support and strengthen community economic development and community development; and maintain and encourage new cooperative development opportunities. The Division also includes two other Branches: Strategic Initiatives and Community Relations that support the Department and the Corporation.

The Corporate Services Division consists of three service areas that provide comprehensive central support services to corporate operations and branches including direction and support in financial planning; financial evaluations and protection of corporate assets; reporting control policies, processes and procedures; information technology planning; training and development; legal support services; and risk management.

The Department's programs and services are budgeted under four main appropriations: Administration; Housing; Community Development and Costs Related to Capital Assets.

The Department's Organization Chart follows this Overview.

### **The statutory responsibilities of the Minister of Housing and Community Development are as follows:**

*The Co-operative Associations Loans and Loans Guarantee Act;*  
*The Cooperative Promotion Trust Act;*  
*The Elderly and Infirm Persons' Housing Act (with respect to elderly persons' housing units as defined in the Act);*  
*The Housing and Renewal Corporation Act [except Clause 44(k) and The Manitoba Shelter Benefit Regulation (MR. 148/2006)]; and*  
*The Poverty Reduction Strategy Act.*

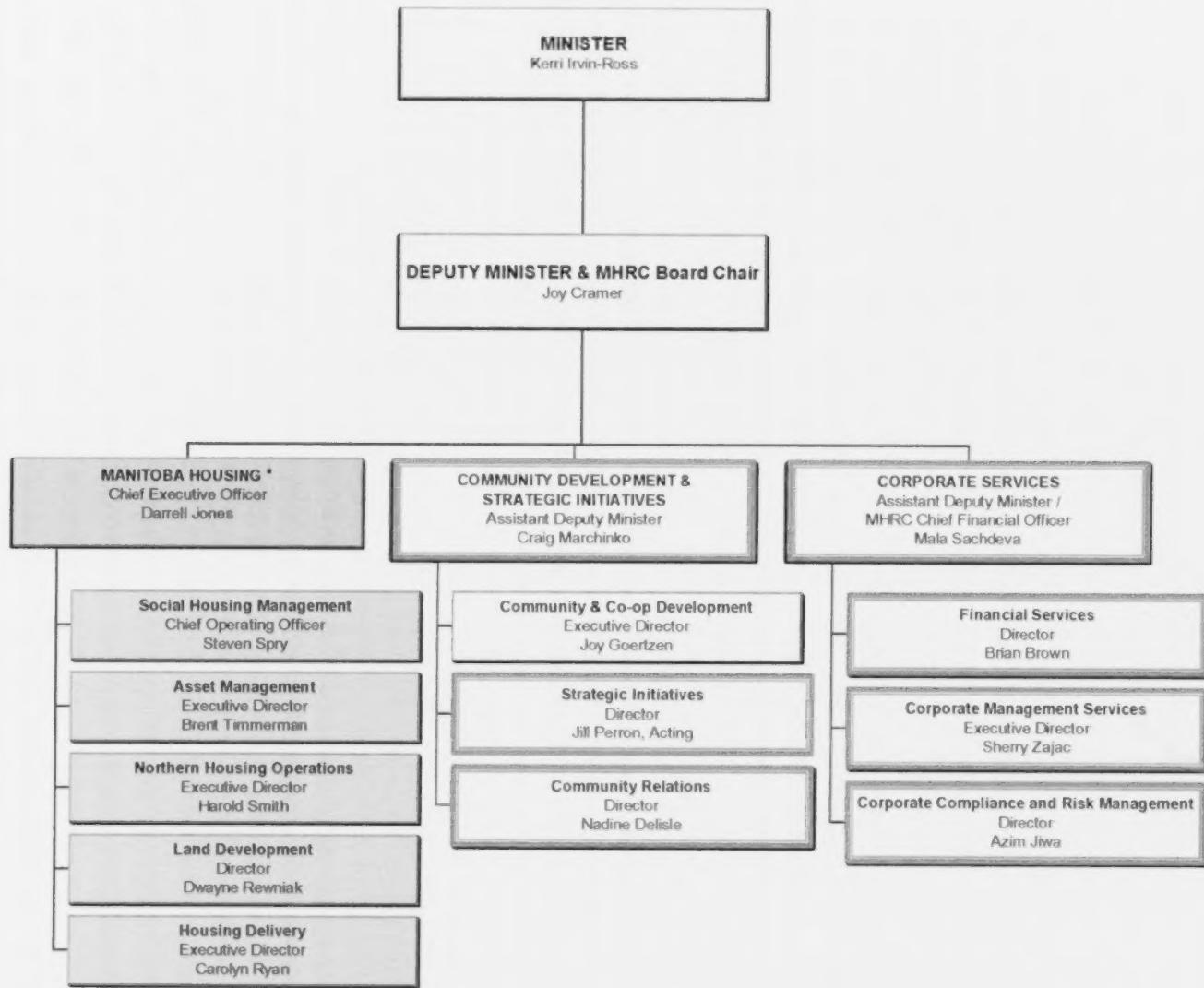
*The Co-operative Associations Loans and Loans Guarantee Act, and The Housing and Renewal Corporation Act, require the Minister to report annually to the Legislature. These reporting requirements for 2012/13 are met by this Annual Report.*

*The Cooperative Promotion Trust Act also requires the Minister to report annually to the Legislature. The Cooperative Promotion Board (CPB) Annual Report is produced separately from the Department of Housing and Community Development Annual Report. The CPB Annual Report includes: members of the Board; an overview of *The Cooperative Promotion Trust Act* legislation which empowers the Board to utilize income from investments; activities of the Board; financial statements; and the Auditors' report. The CPB Annual Report for the year 2012/13 can be obtained at 4th Floor – 352 Donald Street, Winnipeg, MB, R3H 2H8, telephone (204) 945-3379 or online at <http://www.gov.mb.ca/housing/housingpublications.html>.*

Responsibility for *The Poverty Reduction Strategy Act* was transferred to the Minister of Housing and Community Development in February 2012. *The Poverty Reduction Strategy Act* requires a yearly budget statement, an Annual Report, and the establishment of an ALLAboard Committee to provide overall direction to the strategy. The ALLAboard Annual Report will include data on 21 indicators set in regulation that provide a picture of poverty across the province. As three of the 21 indicators relate to the Department of Housing and Community Development, they are included in this report in Appendix 2.

## ORGANIZATION CHART

(as of March 31, 2013)



\*The Manitoba Housing and Renewal Corporation

- Responsibilities in the Department
- Responsibilities in the Crown Corporation
- Responsibilities in the Department and Crown Corporation

## **MINISTER AND EXECUTIVE SUPPORT**

### **MINISTER'S SALARY**

#### **Objectives**

- To provide overall policy direction and central support services for the Department.

#### **Responsibilities**

- Provides for the executive management, planning, support and administrative control of departmental policies and programs for the Department.
- Provides for the overall policy direction to the Department pertaining to program and financial matters and central support services for the provision and delivery of services by the Department.

#### **30-1A Minister's Salary**

Expenditures by Sub-Appropriation	Actual 2012/13 \$000	FTE	Estimate 2012/13 \$000	Variance Over/(Under)	Expl. No.
Total Salaries and Employee Benefits	37	1.00	37	-	

### **EXECUTIVE SUPPORT**

Executive Support includes the offices of the Minister and the Deputy Minister.

#### **Objectives**

- To advise the Minister on all policy and program matters related to the Department, including The Manitoba Housing and Renewal Corporation.
- To manage the activities of the Department.

#### **Responsibilities**

- Interprets and implements government policy through the delivery of departmental programs.
- Ensures effective and efficient management of departmental programs.
- Safeguards the public interest through enforcement of legislation and regulations.
- Ensures effective development and management of the Department's human resources.
- Provides leadership to the Department and advice to the Minister on policy development and resolution of policy issues.

**30-1B Executive Support**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	685	9.00	671	14	
Total Other Expenditures	73		66	7	

**SUPPORT SERVICES****Objectives**

- To provide policy direction for the activities of the Department, including The Manitoba Housing and Renewal Corporation.
- To provide a broad range of operational and administrative support services to the operating divisions.

**Responsibilities**

- Provides direction on financial and administrative policies and operational procedures and practices to divisional staff.
- Provides project management supports for the planning and implementation of integration initiatives across the Department.

**30-1C Support Services**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	738	10.00	839	(101)	1.
Total Other Expenditures	61		69	(8)	

1. The variance is primarily due to positions that remained unoccupied for a portion of the fiscal year.

## MANITOBA HOUSING

Manitoba Housing is a Crown Corporation created by statute (*The Housing and Renewal Corporation Act*) in 1967. The legal name of the corporation is The Manitoba Housing and Renewal Corporation (MHRC). Manitoba Housing is mandated under *The Housing and Renewal Corporation Act* and is governed by a Board of Directors appointed by the Lieutenant Governor in Council with policy direction provided by government. The Deputy Minister of Housing and Community Development serves as Chair of the Board of Directors. The Board meets at least quarterly to fulfill the legal and financial obligations of the Corporation and to consider and approve specific policy-related items.

*The Housing and Renewal Corporation Act* provides Manitoba Housing with a mandate to:

- a) enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low to moderate incomes or those with specialized needs;
- b) maintain and improve the condition of existing housing stock;
- c) ensure there is an adequate supply of housing stock in Manitoba; and
- d) stimulate the activities of the housing market to the benefit of Manitobans as a whole.

In fulfilling its mandate, Manitoba Housing has the capacity to engage in many activities including: constructing and developing new and affordable housing; rehabilitating existing housing in areas of need; acquiring and disposing of land and/or buildings; making grants and loans; managing finances, including the investment and borrowing of funds and the provision of loan guarantees; creating and overseeing the operations of local housing authorities; and entering into inter-governmental agreements for renewal schemes and renewal projects for which provision is made under *The National Housing Act*.

Manitoba Housing's corporate structure is divided into branches based on functional areas:

- Social Housing Management;
- Asset Management;
- Northern Housing Operations;
- Land Development; and
- Housing Delivery.

Manitoba Housing owns the Province's housing portfolio and provides subsidies to approximately 35,000 housing units under various housing programs. Within the portfolio, Manitoba Housing owns approximately 18,000 units of which approximately 14,300 units are directly managed by Manitoba Housing. Approximately another 3,700 units are managed by non-profit/cooperative sponsor groups or property management agencies.

Manitoba Housing also provides subsidy and support to approximately 17,000 housing units (including over 4,300 personal care home beds) operated by cooperatives, Urban Native and private non-profit groups.

The Corporation manages and develops land held in the provincial Land Bank. Through the Housing Development and Rehabilitation Fund, Manitoba Housing contributes to the development of suburban neighbourhoods and reinvests the profits from land development activities in areas of identified need in a manner that supports province-wide housing initiatives. Manitoba Housing currently holds approximately 1,160 acres in its Land Inventory of which 1,025 acres are located in the Winnipeg Census Metropolitan Area and 135 acres are in rural Manitoba.

A complete overview of the activities of Manitoba Housing is outlined in the narrative segments of its operational and support/services branches, following this section.

## **Long-Term Housing Strategy**

Manitoba is building for the future with innovative thinking, renewed commitment, strong partnerships and a clear vision that recognizes housing and community development as a provincial priority as outlined in *Strong Communities: An Action Plan*. By working together with community partners, we are building communities and revitalizing neighbourhoods while engaging residents in the process. By embracing a service-oriented approach, Housing and Community Development is working toward more positive relationships with our tenants, community residents and stakeholders.

Our role is to promote community development and create opportunities for people to engage in activities that promote well-being and social inclusion where they live. Housing is integral to this process and we strive to safeguard an adequate supply of safe and affordable housing in communities across Manitoba, particularly for those of low and moderate income or those with specialized needs. It is also our role to sustain and improve the condition of existing social housing and stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

The 2012/13 fiscal year represents the fourth year of a 1,500 unit commitment to provide new social housing over five years (2009/10-2013/14). As of March 31, 2013, Housing and Community Development committed funding towards a total of 1,224 new affordable housing units and 1,354 households with Rent-Geared-to-Income assistance.

Within Manitoba Housing and Community Development's *Strong Communities: An Action Plan* long term strategy, a goal was established to "Enhance client opportunities and services" that prioritizes provision of housing options for vulnerable populations including the homeless and utilization of the "housing first" approach where possible. Manitoba Housing has actively collaborated with community partners who have developed responses to homelessness. A partnership with Resource Assistance for Youth was expanded to increase the number of Manitoba Housing units available for homeless youth from 4 to 13. Through capital funding provided by Housing Delivery, community agencies in Brandon and Portage la Prairie completed the development of additional emergency and transitional housing units within larger affordable housing projects to provide short term housing options for individuals facing homelessness. In Thompson, Manitoba Housing has worked with community stakeholders to coordinate supports and initiate activities within Project Northern Doorway to house and support chronically homeless individuals. A focus on capacity development has increased multiple agencies' ability to collect data for effective planning and provide accountability reporting.

Manitoba Housing continued to work in partnership with the Departments of Family Services and Labour; Health; Healthy Living, Seniors and Consumer Affairs; Entrepreneurship, Training and Trade as well as numerous partners from other levels of government and the community to provide access to a range of affordable housing options with appropriate supports for individuals with multiple housing barriers.

## **Rent Assistance Programs**

Manitoba Housing also provides financial assistance for benefits under the following rent assistance programs:

- Portable Housing Benefit provides a portable rent supplement (attached to the individual) of up to \$200 per month, combined with housing supports to maintain a stable tenancy, for individuals receiving Employment and Income Assistance (EIA) with a mental health disability.
- School Tax Assistance for Tenants Aged 55 Plus (STAT 55+) provides an annual grant of up to \$175 to tenants aged 55 years or older, to offset the school tax portion of rental costs.
- The Rent Supplement Program assists low and moderate-income families, individuals and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects.

### **Portable Housing Benefit**

The Portable Housing Benefit (PHB) is a specific homelessness initiative that addresses homelessness. The PHB provides a rent supplement of up to \$200 per month, combined with housing supports to maintain a stable tenancy, for low-income Manitobans receiving EIA with a mental health disability. Recipients must have an unstable housing situation that is interfering with their progress in recovery and/or positive participation in community life. This rent supplement is portable, as it is attached to the individual rather than to a housing unit. The PHB was introduced in July 2008 as a pilot project in Brandon, Thompson and Winnipeg, and was expanded to all regions of the province in April 2010. An outcomes evaluation was completed in 2012/13 that indicated positive results for the initiative. The PHB is delivered by mental health community partners, who are funded to provide these supports. PHB payments are administered by Manitoba Family Services and Labour, Provincial Services. The following table provides program information for the past three years:

Fiscal Year	Number of Recipients as at March 31	Average Monthly Benefit Paid \$	Expenditures (\$000)			
			Benefits	Housing Supports	Other*	Total
2010/11	381	177	634	493	40	1,167
2011/12	522	180	987	609	40	1,636
2012/13	568	183	1,021	605	30	1,656

### **School Tax Assistance for Tenants 55 Plus**

The School Tax Assistance for Tenants 55 Plus program provides an annual grant of up to \$175 to low-income tenants aged 55 years or older, to offset the school tax portion of rental costs. The grant is payable once a year. Applications submitted during 2012 relate to rents paid during the 2011 calendar year. This program is funded by Manitoba Housing but delivered through Manitoba Family Services and Labour, Provincial Services, on behalf of the Department of Finance. Program expenditures are recovered from the Department of Finance.

Applicants must meet eligibility criteria. Tenants aged 55 years or older whose net income is less than \$23,800 and who rented their principal residence in the private rental market during the previous calendar year are generally eligible. Pensioners, who were eligible but did not receive their rebate during previous years, can apply for benefits retroactively for up to four years. Tenants living in non-profit housing for the elderly or in projects licensed under *The Elderly and Infirm Persons' Housing Act* do not qualify for benefits under this program because rents in these housing projects do not include school tax costs.

During the year ended March 31, 2013, 1,531 rebate cheques were issued (including retroactive/partial year cheques) representing an expenditure of \$168,056 for the fiscal year. The following table provides program information for the past three years:

Fiscal Year	Total Applications Received	Total No of Recipients	Average Annual Benefit Paid \$	Expenditures Total* \$000
2010/11	2,167	1,799	105	238
2011/12	2,024	1,728	98	200
2012/13	1,773	1,531	93	168

\* Includes multiple rebates for retroactive benefits, and applications received in the previous fiscal year and paid in the current fiscal year.

#### **Complementary Assistance Program**

The Complementary Assistance Program provides grant assistance to housing cooperatives to lower housing charges for income-tested occupants. Applicants must meet income eligibility criteria. Cooperatives submit monthly statements to claim assistance on behalf of eligible clients.

While the program is closed to new applications from cooperatives, Complementary Assistance Program assistance continues to be provided to cooperatives under previous commitments.

During the year ended March 31, 2013, 30 households in six cooperatives were subsidized through the Complementary Assistance Program. A total of \$85,848 was expended during the fiscal year. The following table provides program information for the past three years:

Fiscal Year	No. of Co-ops at Year End	No. of Recipients at Year End	Expenditures Total \$000
2010/11	6	41	77
2011/12	5	31	73
2012/13	6	30	86

#### **Rent Supplement Program**

The Rent Supplement Program is designed to assist low and moderate-income families and senior households to obtain suitable housing in the private rental sector and in non-profit housing projects. The provincial government has entered into agreements with owners/operators of private rental stock whereby the Province subsidizes the difference between the approved market rental rate charged by the landlord and the rent-geared-to-income rate paid by the qualifying tenant. The following table provides program information for the past three years:

Fiscal Year	Eligible Units Subsidized as at March 31	Average Monthly Supplement Paid \$	Expenditures Total \$000
2010/11	1,348	327	5,292
2011/12	1,448	335	5,514
2012/13	1,516	322	5,800

#### **Aging in Place / Long-Term Care Strategy**

Manitoba's Aging in Place Strategy promotes community-based housing with supports for seniors so they can remain in their own communities and "age in place". The strategy focuses on affordable community

housing options with supports as alternatives to early and inappropriate placement in a personal care home.

The Aging in Place strategy includes three community support models:

- *Supports to Seniors in Group Living (SSGL)*: Housing with enhanced services that promote personal health and independence. This model is developed in congregate settings such as apartment buildings for seniors.
- *Supportive Housing*: Housing with personal support services and homemaking in congregate residential settings. This model is primarily for frail and/or cognitively impaired elderly people who can no longer manage in their own home.
- *Specialized Supports*: Models of community specialized services for individuals with exceptional health challenges and complex care situations.

Manitoba Housing supports the Aging in Place Strategy by providing social housing units in Dauphin, Neepawa, The Pas and Winnipeg for supportive housing. Manitoba Housing acts as the property manager and is responsible for the capital upgrades in these units. We also are funding new projects in Riverton and Springfield that include supportive housing. In collaboration with regional health authorities, Manitoba Housing supports SSGL programs in 27 Manitoba Housing-owned buildings by providing office space, storage and use of common areas for activities.

## **SOCIAL HOUSING MANAGEMENT**

### **Objectives**

- To provide affordable, quality housing for low-income Manitobans and support community groups that provide the same service.

### **Responsibilities**

- Manages approximately 14,300 units of social housing including ten emergency crisis shelters for victims of domestic violence.
- Provides a safe and secure living environment for families, individuals and seniors at rental rates geared to the income of the tenants.
- Fosters tenant engagement through tenant associations, tenant advisory committees and resource centres to support successful tenancies and sustainable social housing programs.
- Provides subsidy and support to non-profit housing groups that manage approximately 17,000 social and affordable housing units including 4,400 units owned by Manitoba Housing.
- Provides funding for emergency shelters and homelessness programs.
- In accordance with *The Elderly and Infirm Persons' Housing Act*, administers renewal licenses for all elderly housing projects to ensure projects continue to meet the eligibility criteria for licensing under the Act.

### **Activities/Highlights in 2012/13**

Social Housing Management includes Portfolio Management, Property Services, Security and Tenant and Agency Services. Portfolio Management assists community housing groups to achieve program objectives, comply with project operating agreements and build administrative and governance capacity.

Property Services, Security and Tenant and Agency Services provide and support property management services of the 14,300 social housing units including ten crisis shelters. Social Housing Management maintains the social housing portfolio, contributes to community revitalization efforts and supports tenants. In 2012/13, the branches of Social Housing Management undertook the following activities:

Portfolio Management conducted 33 operational reviews with non-profit housing groups to ensure compliance with their operating agreements. We also shared standard business practices through a number of workshops to assist our housing partners build their capacity. In collaboration with the Housing Delivery branch, Portfolio Management transitioned four non-profit housing projects from the developmental to operational stage – adding 175 affordable housing units to our portfolio. The non-profit rent supplement program that we administer allows 1,500 households living in non-profit housing projects to pay rent according to their income. In 2012/13, The Manitoba Housing and Renewal Corporation (MHRC) made commitments to ten housing groups to increase rent supplements by 180 units over the next fiscal year.

Property Services continued its work with tenants, contractors and the Asset Management branch of Manitoba Housing to revitalize properties across the province. In July 2012, Property Services began transforming how properties are managed under a new model of property management. Each property now has a manager overseeing all aspects of management including leasing, maintenance and tenant relations. This new model of property management will provide an increased level of onsite customer service to residents and to the broader community.

Property Services also added 642 homes that were previously managed by Community Housing Managers of Manitoba to its portfolio. The homes are located in 113 southern Manitoba communities bringing the total number of communities served to over 200.

The Security branch focused on strengthening our partnerships with the Citizens on Patrol Program, Public Safety Investigations Unit of Manitoba Justice, Brandon Police Service, RCMP and the Winnipeg Police Service to enhance security awareness, increase the well-being of our tenants and to build safer communities. MHRC used community barbeques to garner feedback from our tenants and Property Services employees. MHRC engaged community resource centres on a number of our properties to provide additional programming for children and youth. The Housing Communications Center successfully transitioned to a web-based call management system, improving service for tenants and employees of Manitoba Housing and we began implementing an enhanced security system. MHRC continued to expand our live-monitored video camera systems with a number of properties nearly completed.

The Tenant and Agency Services branch works with tenant associations, resource centres, and other social service organizations to promote successful tenancies and worked with 42 referral agencies to assist vulnerable individuals to access social housing. The branch administered funding to 19 tenant associations and 12 resource centers in 2012/13. The associations promote community engagement and social activities amongst tenants while the resource centers provide support services and personal development programs that promote independence and successful tenancies.

Tenant and Agency Services funded 23 agencies that operate homelessness initiatives, which are linked to the AllAboard Poverty Reduction Strategy. Tenant and Agency Services support ongoing initiatives to provide housing opportunities and services for individuals who are, or at risk of becoming, homeless. Manitoba Housing's continued financial support was provided in the following areas:

- Emergency Shelters (Funding and Capacity development)
- Outreach (Homeless Outreach Mentors, Project Breakaway)
- Housing with Services (Portable Housing Benefit, Community Wellness Initiative, Mental Health Housing - the Bell Hotel, Community Housing with Supports, the Madison, and Resource Assistance for Youth's Emergency Shelter and Transition [REST] Program)

In 2012/13, a consultant conducted a formal evaluation of the Portable Housing Benefit and concluded that the program is very beneficial. Employees also collaborated with the five Community Advisory Boards of the federal Homeless Partnering Strategy.

Through the Food Services Program, tenants are provided with low-cost, healthy meals. In 2012/13, they operated congregate meal programs at 17 locations: 15 in Winnipeg and two in Brandon. Food Services prepared 400 - 500 meals on a daily basis. The costs of the meals are partially subsidized through grants from the Winnipeg and Brandon Regional Health Authorities.

## **ASSET MANAGEMENT**

### **Objectives**

- To deliver best value and consistent quality projects in the building of new housing, and in the upgrades and revitalization of the existing social housing stock.

### **Responsibilities**

- Provides project management and professional services in the delivery of major capital initiatives.
- Invests in the renovation of the social housing portfolio to improve and upgrade the condition of social housing and contribute to community revitalization.

### **Activities/Highlights in 2012/13**

Asset Management is committed to maintaining the social housing portfolio and contributing to community revitalization efforts. In 2012/13, Asset Management delivered the largest capital budget in the history of the direct-managed social housing program in Manitoba. Asset Management identified three areas of need and developed programs to address them. The deep refresh, common area and exterior refresh programs will improve the quality of life for tenants, preserve and enhance the buildings, create employment and contribute to community revitalization.

In 2012/13, Asset Management budgeted \$82.7 million for deep refresh, and modernization and improvement projects. Deep refresh projects typically include complete interior refresh of new flooring, paint, cabinets, plumbing and electrical upgrades to energy-efficient fixtures, appliances, mechanical upgrades, exterior envelope/insulation upgrades and site improvements in approximately 710 housing units. There are a total of 12 deep refresh projects underway in Brandon, Riverton, and Winnipeg.

Starting in 2012/13, Asset Management committed \$5 million to unit refreshes upon unit turnover. This work is completed by Operations using a combination of general contractors and Manitoba Housing Trade Central's community forces group.

In addition to our deep refresh programs, we also deliver a Modernization and Improvement program. This includes ongoing capital upgrades to building envelopes (such as roofs and windows), systems (heating, ventilation, and fire and life safety) and site improvements. For a listing by community of Modernization and Improvement expenditures in 2012/13, please see the table at the end of this section.

For some tenants, these investments are the first major upgrades to their homes in many years. These programs are vital to ensuring continued delivery of social housing programs for low-income Manitobans. Investment in this portfolio also provides a significant stimulus to Manitoba's renovation industry – a driver of economic activity. By partnering with non-profit community organizations that provide training opportunities for low-income individuals, Manitoba Housing is also assisting community members to develop construction skills and contribute to the revitalization of social housing in their neighbourhoods.

2012/2013 Modernization & Improvements  
Expenditures by Community

COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$	COMMUNITY	ACTUAL \$
Altona	776,790	Grand Marais	56,808	Riverton	1,826,807
Amaranth	43,267	Grand Rapids	157,742	Rock Ridge	224,218
Arborg	195,089	Grandview	298,749	Rossburn	79,235
Ashern	334,307	Great Falls	12,554	Russell	35,820
Austin	35,532	Gretna	1,963	Sandy Lake	68,044
Beausejour	3,817	Hamiota	80,704	Selkirk	1,286,900
Belmont	90,235	Hartney	25,165	Seymourville	82,270
Benito	129,136	Haywood	44,786	Sherridon	22,896
Birtle	197,190	Kelwood	66,633	Sifton	49,089
Boisbriand	13,726	Killarney	748,129	Somerset	35,526
Bowsman	31,014	Kinosota	36,867	Souris	83,399
Brandon	4,526,167	Landmark	44,941	South Indian Lake	105,925
Brochet	1,758,157	Laurier	21,656	St Agathe	72,698
Brookdale	8,306	Lorette	56,423	St Lazare	5,764
Camperville	779,292	Lundar	95,169	St Pierre	196,767
Carberry	41,298	MacGregor	91,407	St Rose du Lac	824,375
Carman	358,774	Mallard	235,272	St. Ambroise	102,578
Cartwright	29,523	Manitobah	18,829	St. Eustache	34,757
Cayer	218,073	McCreary	2,211,284	St. George	89,659
Churchill	3,054,085	Melita	52,408	Ste. Anne	108,741
Cormorant	322,023	Minitonas	112,928	Stead	10,493
Cranberry Portage	84,663	Minnedosa	191,604	Stonewall	211,723
Cross Lake	117,122	Moose Lake	555,757	Strathclair	87,909
Dauphin	381,622	Moosehorn	296,899	Swan River	1,008,973
Dominion City	93,445	Morden	106,117	Teulon	2,519
Duck Bay	89,277	Morris	729,159	The Pas	655,634
Ebb and Flow	131,184	Nelson House	66,763	Thicket Portage	524,967
Elkhorn	133,416	Niverville	81,004	Thompson	1,122,966
Erickson	27,428	Norway House	200,332	Tyndall	15,633
Eriksdale	42,799	Notre Dame	17,019	Umperville	937,187
Ethelbert	26,193	Oak Lake	23,819	Virden	477,002
Fannystelle	30,421	Onanole	24,549	Vita	226,474
Flin Flon	251	Pelican Rapids	994,201	Vogar	75,515
Foxwarren	195,615	Pikwitonei	140,390	Wanless	4,810
Fraserwood	176,954	Plumas	17,789	Warren	26,638
Gilbert Plains	23,554	Portage	828,000	Waterhen	195,339
Gillam	82,193	Powerview	41,498	Winkler	39,683
Gimli	17,996	Prawda	116,101	Winnipeg	46,834,336
Glenboro	12,570	Rapid City	197,827	Winnipeg Beach	48,081
Glenella	2,637	Reedy Creek	66,298	Winnipegosis	700,249
God's Lake Narrows	178,284	Richer	44,103		
<b>TOTAL M&amp;I</b>					<b>82,544,675</b>

## **NORTHERN HOUSING OPERATIONS**

### **Objectives**

- To better coordinate the management of existing social housing, and to increase the quantity of new, affordable housing in northern Manitoba.
- To consolidate reporting responsibility for all northern housing activity for Manitoba Housing into a single, northern management structure.
- To enhance the role of community-based organizations in the management of housing and in the delivery of other Manitoba Housing programs.
- Through Neighbourhoods Alive!, support and encourage community-driven revitalization efforts in designated northern neighbourhoods, including housing and physical improvements, employment and training, education and recreation, and safety and crime prevention.
- To deliver the programs, services and supports of Housing and Community Development to Manitoba's northern communities in a manner that respects the cultural, geographic and economic diversity of the region.

### **Responsibilities**

- Provides strategic direction and management oversight for the entire northern direct-managed portfolio and all Housing Delivery programming in northern Manitoba, including the Homeowner Renovation Assistance Program (HRAP) and the Manitoba Emergency Repair Program for Homeowners (MERPH).
- Oversees the northern delivery of other Housing and Community Development programs, such as Neighbourhoods Alive! initiatives.

### **Activities/Highlights in 2012 / 2013**

Through Northern Housing Operations, The Manitoba Housing and Renewal Corporation (MHRC) committed \$12.3 million towards the renovation and rehabilitation of the direct-managed northern housing portfolio in Manitoba. Hundreds of rental housing units in approximately 28 northern communities continue to benefit from these investments. More than \$9.0 million in renovations on 150 homes has been completed to date. Additionally, MHRC negotiated Capital Funding Agreements with the Wabowden Housing Board Inc. in Wabowden, and Sagemace Housing Inc. in Camperville, which provide these organizations with funding to undertake renovations on our behalf. These Capital Funding Agreements provided approximately \$2.4 million for the renovation of the housing units in those two communities.

MHRC, through The Northern Housing Operations, continues to work with northern organizations and residents, and other levels of government to develop new, affordable housing. Seven new housing units were built in Camperville and four new affordable housing units were built in the community of Cross Lake which provided needed housing in both communities. The branch also worked with the Keewatin Housing Association Inc. (KHAI) in developing 28 new affordable housing units in Thompson on behalf of Manitoba Housing. The properties will be sponsor-managed by the KHAI.

The University College of the North is unique within Manitoba and the dual campuses in The Pas and Thompson have been designed to meet the education and training needs of Aboriginal and northern students. Funding of \$7.6 million and \$8.8 million was allocated, respectively, for the development of 24 family and student housing units for each of The Pas and Thompson campuses. All ground floor units in

both projects are visitable and features a no-step entrance, wider doorways and hallways and an accessible bathroom. Two ground floor units are fully accessible. All homes meet or exceed Manitoba Hydro's Power Smart design standards and two of the buildings were constructed to the Canada Green Building Design Council's Leadership in Energy and Environmental Design silver designation.

MHRC, through Northern Housing Operations, has partnered with the Frontier Collegiate Institute's Northern Technical Centre (NTC), and the Apprenticeship Branch of Entrepreneurship, Training & Trade (ETT). Students in the NTC, located in Cranberry Portage, are developing two, three-bedroom, single detached and "ready to move" (RTM) units on behalf of Manitoba. This unique initiative provides an opportunity for the development of skills for local students while addressing the need for affordable housing in Cranberry Portage.

Homeownership is a dream of many, and an ideal way to build personal equity while committing to a community. In partnership with the Land Development Branch, Northern Housing Operations is delivering the Rural Homeownership program. In northern remote communities, current tenants with low to moderate income are being provided the opportunity to purchase their rental home. Tenants must be able to qualify for a mortgage, and the sale price will be reflective of a fair value. Manitoba Housing will provide financial and other assistance to ensure clients are successful.

Northern Housing Operations has added a Homelessness project coordinator in the region to coordinate MHRC funding for various programs that support vulnerable persons. The coordinator will also assist in promoting low-barrier, harm reduction approaches to serving vulnerable persons.

## **LAND DEVELOPMENT**

### **Objectives**

- To provide a land management framework to guide the actions of the Corporation's land holdings and major land development projects in the Province.

### **Responsibilities**

- Responsible for the acquisition, use and disposition of land for housing development, and ensuring that all land development projects are consistent with the housing development priorities of the Province.
- Responsible for the delivery of the chronic vacancy stream of the Rural Homeownership Program. This program provides financial assistance for low- to moderate-income families to purchase single and semi-detached homes in selected rural communities at fair market value. The program supports Manitoba Housing's goal of sustaining the existing social and affordable housing stock and helps to revitalize communities by creating homeownership opportunities.
- The Land Development portfolio includes the Corporation's current land holdings and all major land development projects, including the development of the Bridgwater Neighbourhood, a 1,400 acre land parcel in south west Winnipeg.

### **Activities/Highlights in 2012/13**

Manitoba Housing is currently developing 1,200 acres of land in southwest Winnipeg in the Bridgwater Forest, Bridgwater Lakes, Bridgwater Center and Bridgwater Trails neighbourhoods. The Bridgwater Neighbourhood is part of a 15-year project that is a key component of the Province's housing strategy. Increased green space, higher density, housing diversity including visitable housing, and creating a walkable community are among the features of Manitoba's vision for the Bridgwater Neighbourhood.

The Bridgwater Neighbourhood is the fastest growing new housing development project in Winnipeg. It is a popular neighbourhood because of its unique and innovative features, including preserved natural open space and mature forest. Several kilometers of sidewalks, pedestrian paths and children's play areas are already in place. Architectural guidelines ensure there will be a variety of house designs throughout the neighbourhood and recessed garages will prevent garage-dominated streets to create a more neighbourhood-friendly streetscape. Bridgwater Forest is fully serviced and will consist of over 1,100 single-family homes and 600 multi-family dwellings upon completion. The neighbourhood is approximately 90% complete and is expected to be fully occupied by 2014/15.

Manitoba Housing is also proceeding with the development of its second residential neighbourhood, Bridgwater Lakes, and a Town Centre called Bridgwater Centre. Bridgwater Lakes is being developed in four phases and will contain about 1,190 single-family homes, with approximately 50 per cent of the lots being engineered to allow for visitable housing. The neighbourhood will build on the architectural guidelines established for Bridgwater Forest to ensure a variety of housing types and a return to traditional architectural sensibilities. There are currently over 200 occupied homes in the neighbourhood, and all 1,190 single-family lots will be serviced by this fall. Bridgwater Centre is a new and exciting development that will include a mix of residential, commercial and other business uses in a dense urban environment. The servicing of Bridgwater Centre is underway and will be completed by the end of 2013. Manitoba Housing anticipates that the first land parcels in Bridgwater Centre will be sold in mid 2013. As with Bridgwater Forest, both Bridgwater Lakes and Bridgwater Centre will promote walkability by creating connecting pathways and greenspace.

Bridgwater Trails, the third residential neighbourhood, received zoning and subdivision approval from the City in 2012, and will contain approximately 1,100 single family lots and 32 acres of multi-family land.

The Manitoba Government's proceeds from land sales in suburban developments will be reinvested towards revitalizing areas of need under the Housing Development and Rehabilitation Fund. To date, \$16.7 million in Bridgwater proceeds have been reinvested in housing projects such as the Bell Hotel and McFeetor's Hall at the University of Winnipeg, to revitalize Winnipeg neighbourhoods in need.

## **HOUSING DELIVERY**

### **Objectives**

- To deliver projects, programs, and initiatives for the Department related to increasing the supply of (affordable) housing and to sustaining Manitoba's existing housing stock.

### **Responsibilities**

- Responsible for the delivery and administration of housing programs that target the creation of additional rental and cooperative housing in Manitoba.
- Responsible for the delivery and administration of housing programs that target the creation of additional homeownership housing in Manitoba.
- Responsible for the delivery and administration of housing programs that target the repair and renovation of Manitoba's existing housing stock.
- Responsible for the delivery and administration of other complementary housing programs/initiatives that support Housing Delivery's objectives.

## **Activities/Highlights in 2012/13**

### **New Project Delivery**

As part of the November 2009 Throne Speech, the Province committed to adding 1,500 new social housing units in Manitoba. The five year plan began in the 2009/10 fiscal year and ends March 31, 2014.

This commitment has been broken down into two components. The first is the development of 1,500 new affordable housing units. The second component is the provision of 1,500 Rent-Geared-to-Income (RGI) rents to low-income households. The RGI rental units do not necessarily coincide with the new supply units.

The Housing Delivery branch is responsible for the delivery of the new affordable housing units, and is responsible in part for provision of the RGI rents.

As of March 31, 2013, Manitoba Housing has committed to developing 1,224 new affordable housing units and to providing 1,354 new RGI rents for low-income households.

Over the course of 2012/13, commitments were made which total 233 new affordable housing units and 421 new RGI rents. In addition, over this time period, HCD completed its review of detailed Phase II project proposals submitted as part of the process related to the Department's August 2011 Request for Expressions of Interest (EOI) to develop new affordable rental and cooperative family housing. Final EOI project commitments will be made over 2013/14.

New projects announced in 2012/13 include the development of a 40-unit affordable seniors housing project in Dauphin, as well as development of a new affordable housing cooperative in the Brooklands area of Winnipeg.

The Housing Delivery branch also continued to deliver the Secondary Suites Program over 2012/13. This program was launched in June 2010 to help increase the supply of quality, affordable housing in Manitoba. As of March 31, 2013, \$1.2 million has been committed to assist in the construction of 37 secondary suites throughout the Province, with 23 in Winnipeg and 14 in rural and northern regions.

### **Repair/Renovation and Homeowner Delivery**

In 2012/13, Manitoba Housing re-designed its suite of repair and renovation programs with a view to better serve clients, create administrative efficiencies, and improve alignment with current government priorities. Program adjustments were implemented September 1, 2012, and the new programming suite includes the following:

- Manitoba Emergency Repair Program for Homeowners: New program which provides financial assistance to low-income homeowners requiring urgent repairs to their homes which, if not addressed, would render the homes uninhabitable or would create an immediate threat to the health or safety of the occupants and/or the structural integrity of the home.
- Homeowner Renovation Assistance Program: New program which provides financial assistance to low-income homeowners to repair or restore their home to a minimum level of health and safety.
- Rental Housing Improvement Program: New program which provides financial assistance to owners/landlords of rental properties or rooming houses to repair or restore their property to a minimum level of health and safety.
- Residential Adaptations for Disabilities Program: New program which provides financial assistance to low-income homeowners and landlords who have low-income tenants to make

adaptations to homes and rental units to help accommodate individuals who have difficulties with accessibility and mobility in their home.

- **Shelter Enhancement Program**: Continuation of existing program which provides financial assistance to repair/rehabilitate existing shelters, and to assist in the acquisition or construction of new shelters for victims of family violence.

During 2012/13, the total budget allocation for repair and renovation programming was \$6.5 million with \$6.06 million of that total fully committed. This included the following combined commitments under the previous and amended suite of repair and renovation programming:

<b>Repair and Renovation Program Funding Commitments April 1, 2012 to March 31, 2013</b>		
	Total Funding	Units
Emergency Programming	\$229,679	51
Disability Programming	\$588,624	55
Homeowner Programming	\$2,676,958	163
Rental Programming	\$2,472,000	93
Shelter Enhancement Program	\$90,000	11
<b>Total</b>	<b>\$6,057,261</b>	<b>373</b>

In addition, Manitoba Housing introduced two new programs in 2012/13 falling under Housing Delivery administration. The first is the Home of Our Own Program (HOOP) program which provides financial assistance to help low/moderate income households purchase qualifying single-family or semi-detached homes. The second is the Equity Co-operative Home Ownership (ECHO) program which provides assistance to support the creation and administration of multi-stakeholder limited equity housing co-ops in urban areas of Manitoba by converting existing social housing projects.

#### **Investment in Affordable Housing (IAH) Agreement**

In July 2011, Manitoba signed the Investment in Affordable Housing (IAH) agreement with the Government of Canada for the years 2011-2014. This is a new agreement and not an extension or amendment of previous Affordable Housing Initiative (AHI) or other agreements. Under this agreement, the two levels of government will each contribute \$10.35 million in annual federal funding for a total of \$62.1 million over three years to improve the living conditions of households in need by improving access to affordable housing that is sound, suitable and sustainable.

IAH funding is designated for new housing supply and repair/renovation programs, and has been used to support the initiatives listed above.

Two full years of the delivery under the IAH agreement has been completed with project commitments totaling \$39.75 million and 1,288 households.

## **COMMUNITY DEVELOPMENT AND STRATEGIC INITIATIVES DIVISION**

### **Divisional Goals**

- To coordinate and deliver programming that assists communities in providing sustainable recreational, social and community and cooperative development opportunities and that support neighbourhood revitalization efforts.
- To provide quality support for informed corporate and cooperative government-wide decision-making related to housing and community development.
- To develop innovative public policy and programs, reliable and progressive research, evaluation and information management.
- To provide internal communications to staff and assist in providing support and direction for external communication to key stakeholders including tenants and community groups.

### **Divisional Responsibilities**

- Contributes to the general well-being of Manitoba communities by assisting non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for the general community.
- Provides guidance and financial support to the voluntary sector in their activities.
- Coordinates and/or delivers programming under the Neighbourhoods Alive! initiative, a long-term, comprehensive, community-based approach to provide residents and other stakeholders with the tools they need to rebuild vulnerable urban neighbourhoods in Manitoba.
- Provides leadership within Government in developing, implementing and evaluating policies and programs to promote the growth of the cooperative sector in order to meet local economic development and service needs.
- Provides leadership in developing strategic policy direction for the Department, plans and programs, increasing awareness of housing issues and research, and enhance community capacity through collaboration with stakeholders.
- Provides internal and external communications on departmental goals and activities. Coordinates events and the production of material in support of departmental activities.
- These responsibilities are accomplished through the Division's three Branches:
  - Community and Cooperative Development
  - Strategic Initiatives
  - Community Relations

## **COMMUNITY AND COOPERATIVE DEVELOPMENT**

The Community and Cooperative Development Branch coordinates and delivers programming that assists communities in providing sustainable recreational, social and cooperative development opportunities. This includes promoting and supporting cooperatives that assist communities to independently meet some of their social, economic and cultural needs through democratically controlled enterprises.

The Branch also acts as a centralized source of departmental information, funding assistance for local initiatives, and as a referral mechanism that provides strategic support for both the non-profit and voluntary sectors. These objectives are accomplished through the Branch's main programs:

- Community Assistance
- Community Places Program
- Neighbourhoods Alive!
- Cooperative Development Services

Additionally, the Community and Cooperative Development Branch supports the Department's overall program and policy development on issues relating to community and cooperative development.

### **Community Assistance**

#### **Objectives**

- To provide guidance and continued support to the voluntary sector in their activities.

#### **Responsibilities**

- To assist non-profit community groups to enhance their communities by providing grant funding assistance for local initiatives.
- To provide financial support and strategic direction to non-profit, voluntary sector organizations such as:
  - United Ways in Manitoba
  - Volunteer Manitoba
  - Manitoba Community Services Council
  - All Charities Campaign

#### **Activities/Highlights in 2012/13**

In 2012/13, Community Assistance provided over \$5.4 million in funding assistance to support the activities of the voluntary sector of Manitoba through grants provided to the following organizations:

- The United Ways in Manitoba received over \$3.2 million in funding assistance in support of their administrative and fundraising costs.
- Volunteer Manitoba received \$60,900 in support for core funding and for the Premier's Volunteer Service Awards.
- All Charities Campaign received \$137,000 in funding assistance in support of operating costs.
- Manitoba Community Services Council received \$2,004,000 in funding to provide grant support to non-profit, volunteer community service, social service, recreation, and health-related organizations in Manitoba.

## **Community Places Program**

### **Objectives**

- To contribute to the general well-being of Manitoba communities by helping non-profit organizations to undertake facility projects that provide long-term recreational and social benefits for their communities.

### **Responsibilities**

- To provide capital grants and technical consultation services to assist organizations throughout Manitoba with projects involving the construction, upgrading, expansion or acquisition of sustainable facilities.
  - Community groups can apply to the program for a grant which will assist with construction costs including material, labour and equipment for up to 50 per cent of the first \$15,000 and up to one-third over that amount, to a maximum of \$50,000.
  - Projects that received funding in 2012/13 included recreational facilities, parks, libraries, cultural facilities, community resource centres and facilities for people with disabilities.

### **30-3A Community Assistance**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	442	6.00	345	97	1.
Total Other Expenditures	99		103	(4)	
Total Grant Assistance	5,440		5,537	(97)	2.
Total Community Places Capital Grants	3,915		3,915	-	
Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,500)		(1,500)	-	
Less: Recoverable from Building Manitoba Fund	(2,415)		(2,415)	-	

- 
1. The variance is primarily due to one unfunded position occupied for the full fiscal year.
  2. The variance is primarily due to lower than anticipated grant assistance expenditures for the United Ways of Manitoba.

### **Activities/Highlights in 2012/13**

In 2012/13, 273 applications were approved for grant assistance. The value of local investment contributing to the approved projects was \$37.4 million. Application assessment mechanisms gave priority to projects located in neighbourhoods with higher than provincial average unemployment and lower than provincial average per capita income levels. Technical consultation services were provided to assist community groups in the planning and development of facility projects. Consultations included:

design advice, project and operating cost projections, information on regulatory requirements, provision of schematic sketches and assistance with the tendering and building trade contract process.

In 2012/13, Community Places, along with Children and Youth Opportunities Regional Service partners, provided face-to-face and on-site consultations to over 400 clients by delivering over 700 on-site visits and project planning advice to improve the quality, economy and sustainability of clients' projects. The program's on-site facility consultation service contributed benefits estimated at \$60 million annually by helping community planners find project efficiencies and cost reductions.

In addition to Community Places on-site work, the program organized and facilitated 15 workshops where over 250 volunteers and staff from non-profit organizations learned to improve their project planning and grant applications.

Community Places provided front-line services in implementing Manitoba's Green Building Policy (MGBP) and sustainable development goals by advising and guiding community organizations through the Green Building process. Projects not subject to the MGBP were provided with information on best practices in green building and design.

## **Neighbourhoods Alive!**

### **Objectives**

- An interdepartmental initiative to support the community-driven neighbourhood revitalization efforts of 13 designated vulnerable neighbourhoods in Winnipeg (West Broadway, Spence, William Whyte, Lord Selkirk Park, Point Douglas, St. John's, Dufferin, Centennial, West Alexander, North Portage, Chalmers, Daniel McIntyre and St. Matthews), seven designated urban centres in the province (Brandon, Thompson, Dauphin, Flin Flon, Portage la Prairie, Selkirk and The Pas), and five small localities in Winnipeg (Weston, Elwick, Alpine-Lavallee, South Pembina, and Osborne-Mayfair).
- To strengthen community capacity for social and economic development, including: employment and training; education and recreation; safety and crime prevention; housing and physical improvements.

### **Responsibilities**

- Neighbourhoods Alive (NA!) provides individuals and groups in the designated neighbourhoods with the tools they require to strengthen opportunities in their communities. NA! staff are responsible for the overall coordination of the initiative, including direct implementation of the following NA! programs.
  - *Neighbourhood Renewal Fund*: supported a broad range of community sponsored initiatives in the designated neighbourhoods, including projects that assisted neighbourhood capacity building, stability, economic development and well-being.
  - *Community Initiatives*: supported projects that had a broad impact on Winnipeg's inner city or targeted specific groups across the inner city.
  - *Neighbourhood Development Assistance*: provided long-term core operating support for Neighbourhood Renewal Corporations that coordinate and implement community economic development NA! designated neighbourhoods.
  - *Localized Improvement Fund for Tomorrow*: supported local community development projects in five localities in Winnipeg allowing community groups to plan and implement initiatives that address concerns, strengthen partnerships and build community capacity.
  - *Community Youth Recreation*: supported increased access to, or options for, youth recreation programming in seven designated communities outside Winnipeg.

- Under NA!, the Department also supported the *Training Initiatives* program. These projects were developed and delivered by other departments, in partnership with community organizations and educational institutions.
- Five other NA! programs: *Neighbourhood Housing Assistance, Urban Arts Centres, Lighthouse and School Resource Officers* were funded and delivered by the Department's Housing Delivery Branch; Culture, Heritage and Tourism; Justice; and Local Government.

**Neighbourhood Housing Assistance Program Funding**

Winnipeg and Rural

November 2000 to March 31, 2013

<b>Neighbourhood/Community</b>	<b>NHA<sup>1</sup></b>
<b>WINNIPEG</b>	
Lord Selkirk Park	\$324,700
Point Douglas	\$1,095,331
Spence	\$2,363,231
West Broadway	\$1,763,645
William Whyte	\$2,108,103
Centennial	\$444,639
Daniel McIntyre	\$615,903
Dufferin	\$214,700
St. John's	\$458,270
St. Matthews	\$602,797
West Alexander	\$147,085
<b>TOTAL WINNIPEG</b>	<b>\$10,138,403</b>
<b>Neighbourhood/Community</b>	<b>NHA Cumulative Commitments since 2000</b>
<b>RURAL</b>	
Brandon	\$3,180,507
Thompson	\$776,186
Dauphin	\$120,000
Selkirk	\$119,212
The Pas	\$145,754
Flin Flon	\$120,000
Portage La Prairie	\$160,000
<b>TOTAL RURAL</b>	<b>\$4,621,659</b>
<b>TOTAL</b>	<b>\$14,760,062</b>

1. The program funding totals do not include program administration fees.

### **30-3B Neighbourhoods Alive!**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	820	8.00	716	104	1.
Total Other Expenditures	112		150	(38)	
Total Neighbourhood Support	5,786		6,121	(335)	2.
Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)		(2,442)	-	

- 
1. The variance is primarily due to a staff secondment from Manitoba Agriculture, Food and Rural Initiatives (MAFRI) for reducing red tape for Non-Profit Organizations (NPO) initiative.
  2. The variance is primarily due to lower than anticipated grant assistance expenditures under Neighbourhood Support for the Neighbourhood Renewal Fund (NRF), Community Initiatives (CI), and the Localized Improvement Fund for Tomorrow (LIFT).

### **Activities/Highlights in 2012/13**

The Department's commitment through the NA! program is to support and encourage community-driven revitalization efforts. Local residents and other community stakeholders plan and implement community-based projects that respond to locally identified revitalization priorities. In 2012/13, the Department's NA! programs committed over \$1.9M to 119 projects.

### **Cooperative Development**

#### **Objectives**

- To provide information, advisory services and assistance regarding the formation and operation of cooperatives in the Province.
- To develop, implement and evaluate policies and programs that promote the sustainability of the cooperative model.
- To encourage the formation of new cooperatives and maintain existing cooperative.

#### **Responsibilities**

- To provide information and advice on the incorporation of new cooperatives.
- To provide counseling services to assist emerging cooperatives in their development and assist in developing linkages to other community economic development organizations.
- To provide assistance for compliance related to regulatory requirements.
- To provide technical assistance, training, financing and advice in accessing other related programs and initiatives.

- To provide support for The Co-operative Loans and Loans Guarantee Board and The Cooperative Promotion Board.
- To provide strategic direction and support for the continued implementation of the Manitoba Cooperative Community Strategy.

### **30-3C Cooperative Development Services**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Total Salaries and Employee Benefits	263	3.00	255	8	
Total Other Expenditures	334		369	(35)	
Less: Recoverable from Rural Economic Development Initiatives	(185)		(185)	-	

### **Activities/Highlights in 2012/13**

During 2012/2013, there were twelve new incorporations of cooperatives.

Cooperative Development Services provides administrative support to The Cooperative Promotion Board and The Co-operative Loans and Loans Guarantee Board. These Boards operate under separate Board of Directors.

The Cooperative Promotion Board provides grants for studies, research and education related to cooperative organizations; develops and promotes cooperative organizations; and promotes the general welfare of rural Manitobans. Complete information about The Cooperative Promotion Board can be obtained in the 2012/13 Annual Report of The Cooperative Promotion Board that is produced separately from the Housing and Community Development Annual Report.

The Co-operative Loans and Loans Guarantee Board provide loans and loan guarantees to cooperatives to ensure access to financial services necessary for their development. Complete information about the members, mandate, activities and financial responsibilities of The Co-operative Loans and Loans Guarantee Board can be found in Appendix 4.

The Cooperative Assistance Fund provided new and existing cooperatives with up to \$2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2012/13, 15 cooperatives were approved for grants.

Through a Memorandum of Understanding with the Manitoba Cooperative Association (MCA) and the Conseil de développement économique des municipalités bilingues du Manitoba (CDEM), the Province of Manitoba has formalized a partnership towards the creation and launching of the Manitoba Cooperative Community Strategy. Since 2009, under the leadership of a Steering Committee, three Working Groups have been focusing on developing and implementing action plans and securing commitments from other groups and organizations. The action plans focus on the three objectives of the strategy:

- 1) creating a supportive environment;
- 2) promoting the values and principles of the cooperative community; and
- 3) improving the infrastructure support and services offered to cooperatives.

In 2012/13, funding and support were provided for the Cooperative Community Strategy to undertake the following events, initiatives and projects:

- The Project Manager of the Cooperative Community Strategy continued to be supported. This position coordinated the activities of the Strategy Steering Committee and the three Strategy Working Groups.
- Youth Cooperative Services, coordinated by CDEM, continues to work with communities to develop opportunities for students ages 12-17. Through the assistance of a facilitator, students form worker cooperatives and perform jobs in their local communities such as cleaning, landscaping, car-washes and minor repairs. The youth learn cooperative social and business skills while gaining summer employment. In 2012/13, three sites were developed in Gilbert Park, Village Canadien Housing Co-op, and Meadowood Housing Co-op.
- A Cooperative Website, developed and hosted by MCA, is in construction. This website will allow cooperatives to more easily find resources and supports for education, promotion and development. Funding for hosting and administration of the website is provided in part by funding through the Cooperative Tax Credit Fund.
- The Co-op Housing Community Mobilizer Pilot Project located at Supporting Employment & Economic Development (SEED) Winnipeg received continued support to generate interest in the development of new housing cooperatives through research activity, policy analysis, and hands-on work with community proponents.
- The Cooperative Promotion Board received funding to undertake a promotional campaign to support and enhance the profile of housing cooperatives.
- Funding was provided to support the creation of a Chair in Cooperative Management at the Faculty of Business and Economics at the University of Winnipeg. The Chair position will commence August 1, 2013.
- A Cooperative Research Fund established in 2011/12 continued to offer grants aimed at stimulating, broadening and sustaining the development of a socially and economically successful Manitoba cooperative community. In 2012/13, three research projects were funded: University of Winnipeg on social cooperative or prison-based cooperatives, Elton Energy Cooperative's community wind program and Conseil Jeunesse Provincial's student cycling co-op.
- Funding for the Provincial Youth Caucus Jeunesse, led by CDEM, will bring together youth to brainstorm ideas and network to develop youth driven projects reflecting cooperative values.

## **STRATEGIC INITIATIVES**

### **Objectives**

- To design innovative Housing and Community Development policies and programs that are responsive to the needs of Manitobans.
- To provide leadership, coordination and support in developing Housing and Community Development strategic plans and policies that are consistent with the Department's long-term objectives.
- To develop education and awareness of Housing and Community Development trends, policies and practices.
- To enhance community capacity by collaborating with internal and external Housing and Community Development stakeholders.

## **Responsibilities**

- Develops strategic policy frameworks, programs and initiatives to support Housing and Community Development programs and services for Manitobans.
- Undertakes the Department's strategic planning activities and provides ongoing corporate support to executive management.
- Conducts research, market analysis, forecasting and statistical support services to support and inform strategic and operational decisions of the Department.
- Undertakes performance reporting, business strategy development, governance and accountability processes.
- Monitors and evaluates programs and makes recommendations to better meet the objectives of the Department.
- Provides input and ongoing support to implement new programs and program policy to ensure programs are consistent with the Department's strategic framework.
- Participates in federal/provincial/territorial working groups responsible for the development of strategic initiatives, including affordable housing in urban centres and rural and remote non-market communities, and supportive housing.
- Coordinates the preparation of statistical data for federal reporting requirements between Canada and Manitoba.
- Participates in intergovernmental, interdepartmental and intersectoral discussions related to Housing and Community Development issues.

## **Activities/Highlights in 2012/13**

Strategic Initiatives continued to support the Department by undertaking advanced research; monitoring and analysis of housing market data, economic indicators and economic and social policy trends; and directions that support the development of strategic housing and community development policy and programs for the Department and its stakeholders. The work undertaken focused on housing issues related to family violence, vulnerable individuals and seniors; identifying ways for housing co-ops to thrive; and working with multiple stakeholders to plan a course of action against child hunger.

Guided by the Department's strategic framework: *Strong Communities: An Action Plan*, staff undertook developing a framework that will guide activities and initiatives directed towards populations who experience multiple barriers to accessing and maintaining a successful tenancy. This approach promotes access to housing, services and supports for vulnerable individuals through shared responsibility between Housing and Community Development, other departments, non-profit and private organizations.

Informed by the Minister's Roundtable on Seniors' Housing (2011-2012), the branch developed a Seniors' Housing Strategy that will provide policy direction to better address the needs of low to moderate-income seniors living in government subsidized housing, helping to reduce premature personal care home placement and better facilitating "aging in place".

As well, the Department led the Family Violence Residential Facilities Infrastructure Modernization Action Plan Taskforce (MAP), under the Provincial Domestic Violence Strategy. As a result of MAP, a number of

action items have been identified, and The Manitoba Housing and Renewal Corporation is investing over \$1M on capital improvements to family violence facilities owned by Manitoba Housing.

Strategic Initiatives has undertaken a consultation process that has helped us to identify activities that promote "living co-operatively" under a variety of co-op housing models, assist existing housing co-ops with sustainability issues and support new housing co-op start-ups. A legislative framework to support co-op housing activities over the long term has also been proposed.

Strategic Initiatives also facilitates and administers the Roundtable on Community Action Against Child Hunger, a collaborative forum to engage government, private, and non-profit stakeholders in providing the Minister of Housing and Community Development with professional expertise and advice relevant to improving food access for children in Manitoba.

In 2012/13, Strategic Initiatives worked with neighbourhood renewal corporations and landlords to identify challenges facing rooming house tenants, landlords, and the communities in which they are located. The identified policy and program issues will be considered by an interdepartmental working group on rooming houses.

Strategic Initiatives also participated in establishing the Growing Active Kids pilot project that The Winnipeg Foundation, in partnership with Housing and Community Development and Human Resources and Skills Development Canada has developed to establish an endowment to support an active, healthy lifestyle for youth living in social housing and the surrounding neighbourhoods in Winnipeg.

## **COMMUNITY RELATIONS**

### **Objectives**

- To increase awareness and understanding about department initiatives and programs.
- To develop and strengthen stakeholder and community relations.
- To support post secondary students who are tenants associated with Manitoba Housing by managing, promoting and administering the BUILDINGFoundations Bursary Fund.
- To support learning and growth.

### **Responsibilities**

- Develop and implement community relations and engagement events and activities.
- Coordinate the production of materials in support of departmental activities and programs.
- Provide departmental liaison with the Disabilities Issues Office.
- Provide departmental liaison with the Secrétariat aux affaires francophones (SAF).
- Promote, coordinate and administer the BUILDINGFoundations Bursary Program.
- Develop and maintain the Department Internet and Intranet.

### **Activities/Highlights in 2012/13**

Within a community development and customer-centred framework, The Community Relations Branch continued to build awareness and understanding of department programs, services and other initiatives by developing and coordinating events and community outreach programs and assisting in the development of materials that support the vision, goals and values of the Department.

The Branch planned and coordinated outreach activities that engaged with and responded to stakeholder groups and communities where there is construction or development of our properties. This included providing information and regular updates about the River Point Centre to individuals, families and stakeholders living in North Point Douglas, and coordinating a meeting with stakeholders in Eastern Manitoba to present information about 'Strong Communities: An Action Plan,' the Department's Housing strategy.

Information on the Department's website was expanded and updated with important information about programs and initiatives that benefit individuals or families with low incomes. There was a corresponding 85 per cent increase in traffic to the website.

The Branch created and implemented programs to build awareness about important departmental initiatives such as the home ownership programs, renovation and repair programs, the non-smoking pilot project and other initiatives.

## **CORPORATE SERVICES DIVISION**

### **Divisional Goal**

- To provide leadership, coordination and support to the organization in the areas of: financial management, financial reporting, information technology, legal services and risk management.

### **Divisional Responsibilities**

- Provides expert advice and centralized services in the areas of: financial management, fiscal planning, financial analysis and financial reporting; comptrollership planning and review; information technology planning and support; financial and administrative standards and policies; corporate legal; and enterprise risk management. This is accomplished through the Division's three service lines:
  - Financial Services
  - Corporate Management Services
  - Corporate Compliance and Risk Management

## **FINANCIAL SERVICES**

### **Objectives**

- To ensure the corporate comptrollership function is appropriately maintained to meet the needs of the Department, including The Manitoba Housing and Renewal Corporation (MHRC) for financial control, accountability, reporting and the safeguarding and protection of financial and physical assets.
- To provide comprehensive central support services to MHRC operations and departmental branches including direction and support in financial planning, financial evaluations and protection of corporate assets, reporting control policies, processes and procedures.

### **Responsibilities**

- Plans, organizes and evaluates corporate accounting and financial management activities including financial reporting, expenditure and revenue processing and appropriation control, cost-shared reporting and claiming.
- Establishes and provides direction on corporate financial management policies, procedures and practices.
- Advises executive management regarding emerging financial and program management issues.
- Coordinates and supports the development of the corporate estimates for the Department including the MHRC.
- Coordinates, monitors and reports on the corporate entities of the Department and the MHRC which include the direct and sponsor-managed portfolio owned by MHRC as well as privately-owned and operated portfolio.
- Administers the loan and mortgage portfolio.
- Supports management through the provision of analytical, consultative and evaluative advice on new departmental and corporate programs, financial proposals and ongoing operations.

### **30-2 Manitoba Housing and Renewal Corporation**

<b>Expenditures by Sub-Appropriation</b>	<b>Actual 2012/13 \$000</b>	<b>FTE</b>	<b>Estimate 2012/13 \$000</b>	<b>Variance Over/(Under)</b>	<b>Expl. No.</b>
Transfer Payments to MHRC	63,469		64,469	(1,000)	1.
Portable Housing Benefit and Emergency Shelter Assistance	<u>2,887</u>		<u>3,172</u>	<u>(285)</u>	2.
<b>Total MHRC</b>	<b>66,356</b>		<b>67,641</b>	<b>(1,285)</b>	

1. The actual results in support of these operations are found in the MHRC Statement of Operations on page 2 of the MHRC Financial Statements (see Appendix 5).
2. The under expenditure of (\$285) is primarily due to the gradual implementation of the Portable Housing Benefit to other areas of Manitoba outside of Winnipeg, Brandon and Thompson. Implementation has been hindered by a shortage of suitable housing in the private rental market in Manitoba for eligible program recipients.

### **Activities/Highlights in 2012/13**

- Prepared the required estimates documentation, detailed budget, and the various monthly, quarterly and annual financial reports.
- MHRC adopted the Canadian accounting standards for government not-for-profit organizations on April 1, 2011 and The Cooperative Loans and Loans Guarantee Board adopted the same standards on April 1, 2012. The statements contained within the Annual Report are the first financial statements prepared in accordance with these standards.
- Prepared the financial statements for the MHRC, The Cooperative Promotion Board and The Cooperative Loans and Loans Guarantee Board. All three statements were audited by the Office of the Auditor General and the Department received an unqualified audit opinion for each of the entities.

## **CORPORATE MANAGEMENT SERVICES**

### **Objectives**

- To provide information technology leadership, management and support to ensure effective delivery of the organization's programs and activities including business application supports.
- To promote and support the planning, implementation and project management of all information technology within the organization.
- To facilitate employee training and development opportunities for staff.

## **Responsibilities**

- Provides information technology planning, information systems analysis, project management services, implementation, ongoing support and technical expertise in the design, development and maintenance of computer systems in support of the organization's programs and services.
- Identifies more effective, efficient and appropriate approaches for the Department and the key components of the organizational system by providing action plans and recommendations for achieving enhanced results.
- Provides and assists employee training and development opportunities to enable staff to exercise and develop knowledge and skills.
- Provides professional project management services for corporate initiatives.

## **Activities/Highlights 2012/13**

In 2012/13, Corporate Management Services (CMS) coordinated and managed the space requirements for the Department and collaborated with Manitoba Infrastructure and Transportation and departmental representatives for the design and construction phases as it relates to the new Winnipeg Head Office. A number of initiatives were undertaken to involve employees and to inform them of the progress of the project: focus groups, information sessions, creation of a Communication and Information SharePoint site, newsletters, and demonstration of new workstations. Individuals in each of the branches were assigned the role of Move Management Lead to provide guidance and assistance to the focus groups and branches on the move preparation process. Moves to the new Winnipeg Head Office involving staff from seven locations began in March 2013 and were successfully completed in mid-May 2013.

CMS was heavily involved in providing detailed business requirements to aid in defining Housing and Community Development's (HCD) business requirements for a new Property Management System.

In 2012/13, continued support was provided to end users regarding business application support and desktop support.

CMS had integral involvement in enabling the Department to successfully launch the Manitoba Housing and Community Development Intranet site. The dynamic, interactive HCD Intranet is a one-stop shop for information about the Department that can be accessed by all staff and stakeholders within government.

CMS started to identify, investigate and work to establish an overall strategy for the Information Management/Data Architecture plan within the organization. As part of the first phase of this initiative, HCD IT is in the process of finalizing a SharePoint Governance Plan for the Department. This plan is a guidebook outlining the administration, maintenance, training and support of Manitoba Housing and Community Development SharePoint environments. It identifies lines of ownership for both business and technical teams, defining who is responsible for what areas of the system. Furthermore, it establishes rules for appropriate usage of the SharePoint environments.

CMS continued with further development and delivery of in-house training courses including Financial Management applications and general office computer applications. The branch collaborated with Trades Central to ensure consistent training practices and to leverage departmental training resources. With the move to the new head office came ownership of a new multi-purpose training room and computer lab. More than 1,200 training sessions were delivered to over 450 departmental staff during the year.

## **CORPORATE COMPLIANCE AND RISK MANAGEMENT**

### **Objectives**

- To provide legal requirements and support services for the organization, including the drafting of proposed legislation, regulations, Orders in Council and other legal documents.
- To provide leadership and coordination of information management activities including applications received under *The Freedom of Information and Protection of Privacy Act*.
- To support, coordinate and provide advice in respect of an active enterprise risk management process in the organization.
- To work with individual business areas to promote and incorporate an active enterprise risk management culture within the organization.
- To develop and maintain an organization-wide Comptrollership Plan.
- To manage business continuity planning and coordinate an organization-wide response to all hazards.

### **Responsibilities**

- Manages all legal support services for the organization. This includes: administering the legal component related to land holdings and land sub-division process; the development and coordination of all legal agreements and contracts within the organization; and liaison with Civil Legal Services.
- Coordinates the organization's responses related to requests for access to information under *The Freedom of Information and Protection of Privacy Act* and *The Personal Health Information Act*.
- Reviews existing legislation and regulations and makes recommendations on amendments.
- Reviews privacy issues related to the organization and provides direction on policy to ensure the protection of privacy.
- Develops and provides continuous improvements of the organization's Risk Framework. This includes risk consultation, identification/mitigation, monitoring and reporting to the MHRC Board, senior management of the Department and individual business areas of the organization.
- Develops and provides continuous improvements to the organization's Comptrollership Plan. This includes assisting business units in documenting function processes, developing process maps, reviewing adequacy of internal controls and submitting the annual Comptrollership Plan to the Provincial Comptroller's Office.
- Manages business continuity planning by establishing a cyclical process of reviewing, updating, storing, awareness and testing of the organization's business interruption plans.
- Coordinates the organization's business continuity events which include briefing senior officials, supporting field staff and liaising with internal and external organizations.

## **Activities/Highlights in 2012/13**

Legal Services Unit responded to numerous requests made under The Freedom of Information and Protection of Privacy Act (FIPPA). Further details are included in the Government 2012 FIPPA Annual Report. The unit undertook the development of measures to strengthen the information management practices of the organization.

In 2012/13, the unit continued the process of risk identification and awareness as part of implementation of the organization's risk management framework.

During 2012/13 Business Continuity Planning was underway for the organization's mission critical functions. Testing of plans began during the last quarter of the fiscal year.

## COSTS RELATED TO CAPITAL ASSETS

The Department expended the annual amortization cost of all completed assets based on the useful life of each asset. Assets purchased or constructed in 2012/13 were expended at one-half the annual amortization rate. The amortization expense also included the portion of corporate information technology projects attributable to the Department.

### 30-4 Costs Related to Capital Assets

Expenditures by Sub-Appropriation	Actual 2012/13 \$000	FTE	Estimate 2012/13 \$000	Variance Over/(Under)	Expl. No.
(a) Amortization Expense	112		112	-	
(b) Interest Expense	41		41	-	

The in-year cost of acquiring departmental capital assets or assets under construction is provided through Part B – Capital Investment for which amortization and interest expense is reflected as a departmental operating expense. Part B – Capital Investment is highlighted in the following section.

## FINANCIAL INFORMATION

### FIVE-YEAR EXPENDITURE AND STAFFING SUMMARY TABLE

Department of Housing and Community Development  
 Five-Year Expenditure and Staffing Summary by Appropriation  
 (\$000's)

For the years ended March 31, 2009 - March 31, 2013

Actual/Adjusted Expenditures*											
		2008/09		2009/10		2010/11		2011/12		2012/13	
	Appropriation	FTE	\$								
30-1	Administration	15.00	542	18.00	597	20.00	1,187	20.00	1,562	20.00	1,594
30-2	Housing		57,456		59,019		37,397		66,453		66,356
30-3	Community Development	16.00	14,884	16.00	9,912	17.00	12,881	17.00	15,477	17.00	10,669
30-4	Costs Related to Capital Assets		176		170		164		159		153
<b>Total Housing and Community Development</b>		31.00	73,058	34.00	69,698	37.00	51,629	37.00	83,651	37.00	78,772

\* Adjusted figures reflect historical data on a comparable basis in those appropriations affected by a reorganization during the years under review.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

**RECONCILIATION STATEMENT**

<b>DETAILS</b>	<b>2012/13 ESTIMATES \$000</b>
2012/13 Main Estimates	80,445
<b>2012/13 Estimates – Housing and Community Development</b>	<b>80,445</b>

## EXPENDITURE SUMMARY TABLE

**Department of Housing and Community Development**  
**Expenditure Summary**  
**( $\$000$ 's)**

For the fiscal year ended March 31, 2013 with comparative figures for the previous year

Estimate 2012/13	Appropriation	Actual 2012/13	Actual <sup>a)</sup> 2011/12	Increase/ (Decrease)	Expl. No.
<b>30-1 Administration</b>					
\$37	(a) Minister's Salary	\$37	\$37	-	
<b>(b) Executive Support</b>					
671	Salaries and Employee Benefits	685	640	45	
66	Other Expenditures	73	78	(5)	
<b>(c) Support Services</b>					
839	Salaries and Employee Benefits	738	749	(11)	
69	Other Expenditures	61	58	3	
<b>\$1,682</b>	<b>Total 30-1</b>	<b>\$1,594</b>	<b>\$1,562</b>	<b>32</b>	

**Department of Housing and Community Development****Expenditure Summary**

(\$000's)

For the fiscal year ended March 31, 2013 with comparative figures for the previous year

Estimate 2012/13	Appropriation 30-2 Housing	Actual 2012/13	Actual <sup>a)</sup> 2011/12	Increase/ (Decrease)	Expl. No.
	(a) The Manitoba Housing and Renewal Corporation				
\$64,469	Transfer Payments	\$63,469	\$63,585	(116)	
3,172	Portable Housing Benefit and Emergency Shelter Assistance	2,887	2,868	19	
<b>\$67,641</b>	<b>Total 30-2</b>	<b>\$66,356</b>	<b>\$66,453</b>	<b>(97)</b>	

**Department of Housing and Community Development**

**Expenditure Summary**

**(\$000's)**

For the fiscal year ended March 31, 2013 with comparative figures for the previous year

Estimate 2012/13	Appropriation	Actual 2012/13	Actual <sup>a)</sup> 2011/12	Increase/ (Decrease)	Expl. No.
<b>30-3 Community Development</b>					
	(a) Community Assistance				
\$345	Salaries and Employee Benefits	\$442	\$412	30	
103	Other Expenditures	99	91	8	
5,537	Grant Assistance	5,440	5,441	(1)	
3,915	Community Places Capital Grants	3,915	5,302	(1,387)	1
(1,500)	Less: Recoverable from Urban and Rural Economic Development Initiatives	(1,500)	(500)	(1,000)	2
(2,415)	Less: Recoverable from Building Manitoba Fund	(2,415)	-	(2,415)	3
	(b) Neighbourhoods Alive!				
716	Salaries and Employee Benefits	820	626	194	4
150	Other Expenditures	112	60	52	5
6,121	Neighbourhood Support	5,786	6,078	(292)	
(2,442)	Less: Recoverable from Urban and Rural Economic Development Initiatives	(2,442)	(2,442)	-	
	(c) Cooperative Development				
255	Salaries and Employee Benefits	263	254	9	
369	Other Expenditures	334	335	(1)	
(185)	Less: Recoverable from Rural Economic Development Initiatives	(185)	(180)	(5)	
<b>\$10,969</b>	<b>Total 30-3</b>	<b>\$10,669</b>	<b>\$15,477</b>	<b>(\$4,808)</b>	

**Department of Housing and Community Development  
Expenditure Summary  
(\$000's)**

For the fiscal year ended March 31, 2013 with comparative figures for the previous year

Estimate 2012/13	Appropriation	Actual 2012/13	Actual <sup>a)</sup> 2011/12	Increase/ (Decrease)	Expl. No.
\$153	30-4 Costs Related to Capital Assets	\$153	\$159	(\$6)	
\$80,445	Total Housing and Community Development	\$78,772	\$83,651	(\$4,879)	

1. The variance is primarily due to grants processed for the First Sports Program, a one-year grant program for 2011/12.
2. The variance is due to an increase in recoverable under Urban Development Initiatives (UDI) (\$156) and Rural Economic Development Initiatives (REDI) (\$844) which reflects the full grant recovery for Community Places Program Capital Grants in 2012/13.
3. The variance is due to a new recovery for fiscal year 2012/13 from the Building Manitoba Fund to provide for the full grant recovery for the Community Places Program Capital Grants in 2012/13.
4. The variance is primarily due to positions occupied in 2012/13 that were unoccupied in 2011/12.
5. The variance is primarily due to new office space rent and increased computer related charges for 2012/13.

**NOTES:**

- a) The 2011/12 data has been reorganized to reflect the 2012/13 appropriation structure.

## **APPENDIX 1 SUSTAINABLE DEVELOPMENT ACTIVITIES AND ACCOMPLISHMENTS**

Under Section 12(1)(c) of *The Sustainable Development Act* (the Act), provincial departments are required to integrate information about incorporating sustainable development into their activities, within the annual reporting process.

The overall goal of sustainable development is meeting the needs of the present without compromising the ability of future generations to meet their own needs. The Act sets out principles for departments to follow in integrating considerations for the environment, human health, and social well-being into their daily operations.

The following is a summary of progress made towards integrating the principles and guidelines of sustainable development into the programs and activities of the Department of Housing and Community Development.

### **Sustainable Living and Healthy Communities**

Manitoba Housing, in partnership with Manitoba Innovation, Energy and Mines (IEM) and Manitoba Hydro, has adopted a Sustainable Development Action Plan that ensures investments in housing infrastructure proceed in an environmentally responsible manner and promote employment and training opportunities through partnerships with social enterprises.

As part of the plan, The Low-Income Energy Efficiency Program lowers energy consumption, greenhouse gas emissions; utility costs and provides life skills and employment for low-income people. In 2012/13, 234 attics and 381 basements in the province received insulation upgrades. 2,793 households were retrofitted with energy efficiency lighting, low-flow toilets, showerheads and aerators. In the previous year, 1,952 households were upgraded. These retrofits reduce tenants' costs for utilities and electricity.

Under the Manitoba Hydro Power Smart Program, projects currently on the Department's capital plan are being designed to meet strict power smart guidelines. Manitoba Housing assesses the feasibility of geothermal heating systems for all direct builds prior to deciding which heating system to employ. We encourage geothermal feasibility analyses on all new housing construction projects funded under Manitoba Housing's affordable housing programs. Geothermal heating and cooling systems have been incorporated into the new construction of various recently-completed projects that received funding support from Manitoba Housing. Examples include development of the 48-unit Peace Tower family housing project in Winnipeg and the 37-unit Place La Charrette family housing complex in Winnipeg. Geothermal heating/cooling is additionally currently planned to form part of the development of other new multi-unit projects presently under construction and/or in the design stage.

In partnership with IEM, Manitoba Infrastructure and Transportation and Manitoba Hydro, Manitoba Housing is developing *The Residential Green Building and Major Renovation Guidelines*. The guidelines will complement the existing Green Building Policy for Non-Residential Projects Funded by Government of Manitoba (April 2007) by extending coverage to low-rise dwellings (detached, semi-detached and row houses) and multi-unit residential buildings.

These Guidelines develop higher green building and renovation standards and outline specific practices that must be considered for projects involving support from Manitoba Housing. This includes projects undertaken directly by the Department, or its agencies, and those by external organizations that receive capital funding or a commitment to long-term operational funding.

Asset Management is currently evaluating options to pursue prefabricated, modular construction technology targeted for in-fill housing and remote communities. Not only does prefabricated construction

provide a higher quality product to residents in terms of durability and efficiency, the technology also offers a decreased environmental footprint by reducing material waste and using less equipment at the construction site. The overall result is that residents will experience reduced utility costs, safe and healthy living conditions and a home that will be sustainable for years.

In conjunction with Housing Delivery, Asset Management has recently been able to support the repair and renovation programs through scope of work development and on-site inspections. The various programs are designed to provide financial assistance to low-income homeowners who need substantial repair work performed on their homes in an effort to bring the dwelling up to an acceptable level of health and safety and to extend the useful life of the property. Projections for 2013/14 are estimated at allocating close to \$5M across the province in support of these programs.

The Community Places Program supports the implementation of Manitoba's Green Building Policy and sustainable development goals. Staff provide advice and guide community organizations throughout the province through the Green Building process. Applications received by Community Places are evaluated for their environmental sustainability, and community sustainable development benefit.

Under the Sustainable Communities strategic priority, the Neighbourhoods Alive! (NA!) initiative promotes the revitalization of urban communities by supporting community initiatives that contribute to community and inner city renewal, build community capacity, enhance knowledge and skills, support environmental initiatives and foster sustainable economic development.

NA! directly administers four programs that support designated communities to develop community revitalization projects, many of which address issues of environment and food security: the Neighbourhood Development Assistance, Neighbourhood Renewal Fund, Community Initiatives, and the Local Improvement Fund for Tomorrow (LIFT).

Neighbourhood Development Assistance provides core operational funding to neighbourhood renewal corporations in each of the designated NA! communities. This allows the renewal corporations to coordinate and facilitate the development and implementation of community-led revitalization projects.

The Neighbourhood Renewal Fund supports projects that must benefit a specific neighbourhood or community and support at least one of the following: neighbourhood capacity building, stability, economic development and well-being. This also includes a Small Grants Fund administered by each neighbourhood renewal corporation which provides grants of up to \$5,000 for community groups to develop smaller projects such as parks, community gardens and similar environmental projects.

The Community Initiatives program supports projects that have a broad impact on Winnipeg's inner city or target specific groups across the inner city. The program funds activities that enhance economic development, increase safety and prevent crime, reduce at-risk behaviour, contribute to better health practices, strengthen tenant-landlord relations and improve coordination and cooperation.

LIFT supports projects that address neighbourhood decline in five specified localities in Winnipeg. It aims to help these localities become safer and more attractive while offering more educational, recreational and social opportunities for families. The types of projects that LIFT can fund include green initiatives and those that support social well-being.

Co-operative Development Services provides support and direction to entrepreneurs who choose the cooperative model. Co-ops throughout the province have been recognized for their ability to meet both social and economic goals and contribute to a social economy. Manitoba's co-ops are sustainable, long-term businesses that focus on: creating meaningful employment, promoting social inclusion and social responsibility, increasing communities' sustainable economic capacity and developing leadership and a stronger sense of community.

A Cooperative Research Grant was created to develop knowledge and resources of a broad interest for development and expansion of cooperatives. The second year of successful applicants have been

awarded grants for exploration of social cooperative or prison-based cooperatives and a student cycling co-op. This Research Grant is expected to incorporate the sixth cooperative principle of "Cooperation Among Co-ops" and be shared within the greater Manitoba cooperative community.

The Cooperative Assistance Fund provides new and existing cooperatives with up to \$2,000 to assist with environmentally sustainable initiatives, infrastructure and capital costs. In 2012/13, the fund included support for co-ops involved in improving energy efficiency, community sustainability, sustainable food initiatives, and agriculture.

Manitoba Housing's development of the Bridgwater neighbourhood will focus on housing diversity, higher density, walkability and increased green space, including the preservation of fully mature forests running throughout the Bridgwater Forest neighbourhood. Bridgwater Forest will encompass almost 375 acres, with about 70 acres dedicated to forest and open space.

New homes in Bridgwater can be built with geothermal heating and cooling systems in order to reduce greenhouse gas emissions. Bridgwater Forest, for example, has 54 lots designated for the use of leading edge geothermal heating and cooling and the streets have been oriented to maximize passive solar energy. The Bridgwater development features a neighbourhood greenway system connected to residential sidewalks to promote walking and cycling. Bus transit is accessible by a short walk from the majority of homes. Several show homes highlight the Power Smart Program. All of these features enhance the neighbourhood's environmentally-friendly design and act to lower its environmental footprint.

### **Education for Sustainability**

The Department uses the Waste Stream Services recycling program in most of its offices province-wide. The program includes use of mini-bins for desk side refuse; desk side blue bins for non-confidential paper; central bins for aluminum, plastic, and non-confidential paper; and Government Records Boxes for destruction of confidential paper.

Social Housing Management continues to encourage recycling to all tenants and the Asset Management Branch promotes recycling in major renovation projects, where possible, by contracting with organizations that recycle major appliances and other materials.

The Department participated in the annual Commuter Challenge, an initiative aimed at encouraging staff to contribute to the efforts to create a greener province by using cleaner, healthier ways to commute. Staff were encouraged to help reduce gas emissions through cycling, walking, rollerblading, taking the bus or car pooling.

Manitoba Housing now has seven employees accredited in Leadership in Energy and Environmental Design (LEED).

### **Integrating the Economy and the Environment**

Manitoba Housing continues to partner with Building Urban Industries through Local Development (BUILD) and the Brandon Energy Efficiency Program (BEEP) to provide training and employment in water and energy efficiency upgrades to low-income community members. BUILD and BEEP have provided training to over 100 individuals and currently employ 65 to 75 on the water and energy efficiency upgrade programs in Brandon and Winnipeg. The program lowers energy consumption, greenhouse gas emissions, utility costs and provides life skills and employment for vulnerable persons.

Manitoba Housing has developed an Energy Management and Preventative Maintenance Team responsible for reducing greenhouse gas emissions, potable water consumption and waste water production in its residential buildings. These efforts will also improve the standard of living for tenants (by lowering utility bills) and the working environment for employees and contractors. The Procurement

Branch is complimenting this work by including water and energy efficiency and recycled material specifications in tenders.

Asset Management continues to work with the North End Community Renewal Corporation (NECRC) to provide training and employment opportunities for low-income people on the major renovation projects in Gilbert Park and Lord Selkirk Park. NECRC finds potential employees from these neighbourhoods, provides training and then employs them in the renovation of social housing units.

As a strong proponent of sustainable development principles, the Department remains committed to developing strategies and policies to facilitate the integration of sustainable development principles and guidelines into its ongoing activities.

## APPENDIX 2 PERFORMANCE INDICATORS

### HOUSING AND COMMUNITY DEVELOPMENT

#### Performance Measurement

The following section provides information on key performance measures for the Department for the 2012/13 reporting year.

**Performance Measures in the three previous Annual Reports were based on specific targets outlined in the 2009 HOMEWorks! Housing Strategy and Policy Framework and Two-Year Investment Plan (2009/10 – 2010/11). The strategy and investment plan were developed prior to the establishment of Housing and Community Development as a standalone Department in November 2009. The 2010/11 Housing and Community Development Annual Report completed the reporting of these specific targets in conjunction with the expiry of the Two-Year Investment Plan.**

The 2012/13 Annual Report captures the fourth year of our new longer-term strategy and policy framework and will report on the same key indicators which continue to support our expanded strategy. The 2009 HOMEWorks! Housing Strategy and Policy Framework has been transitioned into the Department's new **Strategy and Policy Framework 2011** and the **Strong Communities: An Action Plan** document released publicly in July 2011. These documents outline the goals, priority areas of investment and planned activities that guide the Department's daily operations and future plans.

Performance indicators in departmental Annual Reports are intended to complement financial results and provide Manitobans with meaningful and useful information about government activities, and their impact on the province and its citizens.

For more information on performance reporting and the Manitoba government, visit [www.manitoba.ca/performance](http://www.manitoba.ca/performance).

Your comments on performance measures are valuable to us. You can send comments or questions to [mbperformance@gov.mb.ca](mailto:mbperformance@gov.mb.ca).

Sustaining the Existing Housing Stock					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Sustaining and improving existing social and affordable housing	Number of social housing units renovated and improved within the provincial portfolio	Maintains housing stock, improved quality of units and more efficient use of portfolio	2009/10 - targets of 13,500 social housing units renovated by the end of 2010/11  Commitment met and exceeded - 17,887 total units renovated from April 1, 2009 to March 31, 2011	Total units renovated from April 1, 2012 to March 31, 2013: 708	Total number of households with major renovations and/or building improvements increasing.
Comments/Recent Actions/Report Links					
<p>The 2009 HOMEWorks! Two-Year Investment Plan committed to impact 13,500 households with major renovations (deep refresh programs) and/or building improvements by the end of 2010/11. Housing and Community Development surpassed the two-year target: As of March 31, 2011, 17,887 units have been impacted with major renovations. In 2012/13, a further 708 units were impacted with major renovations.</p>					

Housing Affordability					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2011/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Improving housing affordability through Rent Geared to Income (RGI) housing</b>	RGI housing	Assists in affordability and increases the supply of affordable housing stock within the private market	2009/10 - 1,500 new RGI units by 2013/14	Total RGI units committed to March 31, 2013: 1,354	RGI units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014)
	Portable Housing Benefit		193 (2009/10)	Portable Housing Benefit - served 568 recipients in 2012/13	Portable Housing Benefit expanded province-wide as of January 2010. Number of persons benefiting from PHB is increasing.
Comments/Recent Actions/Report Links					
<p>The 2009 HOMEWorks! Two-Year Investment Plan reflected the provincial commitment to support 1,500 households with RGI assistance by the end of 2013/14. As of March 31, 2013, a total of 1,354 new households will benefit from RGI assistance. This represents the fourth year of the five year commitment to support 1,500 households. RGI units within the private rental sector and in non-profit housing projects that existed prior to April 1, 2009 are not counted in this baseline.</p> <p>The Portable Housing Benefit (PHB) provides a rent supplement of up to \$200 per month, accompanied by housing support services (staffing component), to low-income individuals with mental health issues who require additional assistance to find safe, adequate and stable housing. Participants must have an unstable housing situation that is interfering with their progress in recovery and positive participation in community life. The PHB is portable (attached to the individual rather than to a housing unit) and originally began in Winnipeg, Brandon and Thompson and is now available to eligible participants province-wide. In 2012/13, the Portable Housing Benefit assisted 568 recipients, an increase of 66% from 2009/10. As of March 31, 2013, 568 households are benefitting from an investment of \$2 million in portable housing benefits for people with mental health needs.</p>					

Increasing Supply of Affordable Housing					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Increasing supply of affordable housing stock</b>	New Affordable housing units	Increased supply of housing stock	2009/10 - 1,500 new affordable units by 2013/14	Total new affordable units committed to March 31, 2013: 1,224	New affordable housing units are increasing. The Province committed to adding 1,500 new affordable and social housing units to the affordable housing supply over a period of five years (March 2009 to March 2014)
	New homeownership opportunities	Assists low and moderate income individuals to access affordable housing and helps to revitalize communities	2009/10 - 132 new homeownership opportunities created by March 31, 2012	24 new homeownership opportunities created in 2012/13	

Comments/Recent Actions/Report Links
The 2009 HOMEWorks! Two-Year Investment Plan reflected the provincial commitment to building 1,500 new affordable rental units by 2013/14. During the period April 1, 2012 to March 31, 2013, a commitment was made to build 233 new affordable housing units. As of March 31, 2013, a total of 1,224 new affordable units have been commitment or constructed. This represents the fourth year of the five-year 1,500 unit commitment.

Maintaining Supply of Housing					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
Maintaining supply of existing housing stock in the private market	Renovated housing units	Improved housing stock	2009/10 - target of 800 private units renovated by the end of 2010/11  Commitment met and exceeded - 865 units renovated from April 1, 2009 to March 31, 2011	Total households assisted with renovation assistance for privately owned housing as of March 31, 2013 : 373	Number of households benefiting from renovation assistance is increasing
Comments/Recent Actions/Report Links					
The 2009 HOMEWorks! Two-Year Investment Plan committed to providing renovation assistance to 800 privately owned households. The Province exceeded the two-year target with 861 private households receiving renovation assistance as of March 31, 2011. In 2012/13, a further 373 households will receive renovation assistance.					

New Supportive Housing Options for Seniors					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>New supportive housing options for seniors</b>	New housing options with supports created or renovated to support seniors	Helps seniors who require 24 hours support and supervision to remain within their community. Delays or prevents premature placements in personal care homes.	2007 – 48 units of supportive housing completed within the MH portfolio as of March 31, 2011  37 units of supportive housing committed within the MH portfolio as of March 31, 2012.	25 units of supportive housing completed within the MH portfolio as of March 31, 2013.	The number of seniors who are able to remain in their communities due to receiving extra supports is increasing
<p>The Aging in Place strategy was introduced in 2006. Based on the Aging in Place principle, Manitoba's Long Term Care strategy supports affordable neighbourhood-based housing with supports for seniors who need extra support to remain in their communities. Housing and Community Development's long-term strategy identifies seniors' housing with needed supports as one of the priority areas of investment.</p> <p>Manitoba Housing provides supportive housing projects throughout the province in support of the Aging in Place strategy. Manitoba Housing acts as the property manager and is responsible for the capital upgrades. These projects provide an affordable housing option with services and 24-hour supports to assist seniors on limited incomes to live independently in the community.</p> <p>In February 2011, the Province announced Manitoba's renewed long-term care strategy which will include more affordable supportive housing.</p> <p>In addition, annually, Manitoba Housing provides rent supplements to 35 units of supportive housing in the private rental market. These are not included in this baseline measurement.</p> <p>Manitoba Housing also supports the <i>Supports to Seniors in Group Living</i> model by providing office and storage space and use of common areas for activities in buildings it manages throughout the province.</p>					

Community Development					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Supporting community-led revitalization efforts in selected distressed neighbourhoods and communities in Manitoba</b>	Number and type of Neighbourhoods Alive! (NA!) projects that are funded	NA! provides community-based organizations with funding to initiate local community economic development projects and leverage additional funds to support long-term revitalization	2009/10 - \$5M for 111 projects  2010/11 - \$5.6 M for 220 projects  2011/12 over \$12 million for 193 projects	In 2012/13, the Department invested over \$2.2 million* in NA! funding for 116 community projects	Greater complexity of funding requests received from NA! communities
	Proceeds from land sales in suburban developments reinvested towards revitalizing areas of need through the Housing Development and Rehabilitation Fund		\$7.3 million invested as of March 31, 2011 in housing projects to revitalize Winnipeg neighbourhoods in need	\$13.4 million invested as of March 31, 2013 in housing projects to revitalize Winnipeg neighbourhoods in need	
<b>Comments/Recent Actions/Report Links</b>					
Since 2000 NA! has provided \$61,245,344 to 1,224 projects in seven program categories. The seven funding programs are Neighbourhood Renewal Fund (\$30,126.6), Neighbourhood Development Assistance (\$18,454.5), Training Initiatives (\$7,643.0), Community Initiatives (\$3,554.5), Localized Improvement Fund for Tomorrow (\$767.4), School Resource Officer (\$264.5), and Community Youth Recreation (\$434.8).					
* The 2012/13 commitment level is significantly less than the listed 2011/12 commitment level of NA! due to the provision of 24 multi-year agreements with non-profit organizations for 48 projects in 2011/12 only.					

Cooperative Development					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Assisting cooperative development in Manitoba</b>	The number of cooperatives assisted in formation and development	Builds community capacity and sustainability	In 2009/10, the Cooperative Promotion Board (CPB) approved 6 grants valued at \$18,725.00  In 2010/11, the CPB approved 14 grants valued at \$39,000.00  In 2011/12, the CPB approved 17 grants valued at \$36,566.00  41 new cooperatives were incorporated from April 1, 2009 to March 31, 2012	In 2012/13, the CPB approved 3 grants valued at \$7,900.  12 new cooperatives were incorporated in 2012/13	Increase in number of cooperatives formed
Comments/Recent Actions/Report Links					
<p>This performance indicator is being measured starting from April 1, 2009. The Cooperative Promotion Board (CPB) distributes grants in support of the development, education, research and promotion of cooperatives.</p> <p>*In 2012/13, the CPB undertook strategic planning and prioritized two areas of focus: promote awareness and understanding of the cooperative model among youth; and learning events for cooperative boards, employees, members, and youth.</p>					

Community Development					
What is being measured and using what indicator?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Investing in communities through projects for recreational and social benefits and supporting community organizations</b>	Number of Community Places (CPP) grants given and number of community groups assisted by providing face-to-face and on-site consultations	Assists in providing sustainable recreation and wellness benefits to Manitoba communities	In 2010/11, CPP approved \$4.5 million in grants for 297 applications and assisted over 470 community groups by providing over 750 on-site consultations.  In 2011/12, \$4.5 million in grants approved for 328 applications. Assisted over 470 community groups with over 700 on-site consultations.	In 2012/13, \$3.5 million in grants approved for 273 applications. Assisted over 490 community groups with over 735 on-site consultations.	Number of applications for grants is increasing
Comments/Recent Actions/Report Links					
<p>This performance indicator is being measured starting from April 1, 2009. Housing and Community Development continues to provide programming that assists communities to provide sustainable recreational, social and cooperative development opportunities and that supports both the non-profit and voluntary sectors.</p> <p>For 2012/13 Community Places has funded community projects with an average grant of \$13,030 with an average project value of \$137,343, and continues to provide project planning advice to improve the quality, economy, and sustainability of community projects.</p> <p>Since 2009/10 Community Places has funded community projects with a 4-year average grant amount of \$14,272 and an average project value of \$158,243</p> <p>In 2012/13, \$3.5 million in grants leveraged \$37.5 million in total project costs.</p>					

Impact of Manitoba Housing Program Activity on Provincial Rate of Core Housing Need					
What is being measured?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Households in core housing need<sup>1</sup></b>	Per cent of households in core housing need <sup>2</sup>	Core housing need provides an estimate of the number of households not living in and unable to access acceptable housing	<b>All households</b> 14.7% (1996)  <b>Lone parents</b> 36.2% (1996) <sup>3</sup>  <b>Aboriginal</b> 34% (1996)  <b>Seniors</b> 16.3% (1996)  <b>Persons with Disabilities</b> 14.5% (2001)  <b>Immigrants<sup>4</sup></b> 10.6% (2001)	<b>All households</b> 11.3% (2006)  <b>Lone parents</b> 31.0% (2006)  <b>Aboriginal</b> 22.4% (2006)  <b>Seniors</b> 9.6% (2006)  <b>Persons with Disabilities</b> 14.5% (2006)  <b>Immigrants</b> 10.9% (2006)	Over the past decade, the incidence rate of core housing need has declined in Manitoba from 14.7% in 1996, to 11.6% in 2001, to 11.3% in 2006.  There were small decreases for lone parents and seniors; an increase for immigrants; and the rate remained the same for persons with disabilities.  Manitoba's core housing need rate was below the national average of 12.7%.
<b>Comments/Recent Actions/Report Links</b>					
<p>Updated Core Housing Need figures will be available in 2014.</p> <p>Between March 1, 2009 and March 31, 2013, construction was completed, underway or committed for 1,224 new rental or cooperative housing units through the 2009 HOMEWorks! Strategy and related 1,500 unit commitment.</p> <p>Other housing programs, such as the Rental Housing Improvement Program, aim to address privately-owned low-income housing in need of repair. In 2012/13, \$5.7 was committed under Homeowner Renovation Assistance, Rental Housing Improvement and Residential Adaptations for Disabilities Programs to repair 311 owned or rented units, an increase in units of 16.91 percent since 2001/02 (266 units).</p>					

<sup>1</sup> Core housing need refers to those individuals who currently reside in housing that is either in need of major repair, does not have enough bedrooms for the size and makeup of the household, or costs 30 percent or more of their total income, and who are unable to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

<sup>2</sup> Source: Canada Mortgage and Housing Corporation.

<sup>3</sup> Previous year's Annual Reports cited this figure as 37.9 per cent. Updated data runs noted a correction to this number.

<sup>4</sup> The term "immigrants" as used in this context is defined by CMHC. Provincially, immigrants may also be referred to as New Canadians, which include landed immigrants and refugees.

**ALLAboard Indicator – Total Units of Social and Affordable Housing Supported by The Manitoba Housing and Renewal Corporation (MHRC)**

What is being measured?		Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the 2012/13 result or most recent available data?	What is the trend over time?
Performance measure	Components of the measure				
<b>Total units of social and affordable housing</b>	Total number of units supported by MHRC excluding personal care home beds.	Safe, affordable housing in supportive communities is one of the pillars for ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy.	35,383 units of social and affordable housing in 2011/12.	As of March 31, 2013, there are 35,826 units of social and affordable housing.	

**Comments/Recent Actions/Report Links**

ALLAboard: Manitoba's Poverty Reduction and Social Inclusion Strategy was launched in May 2009. ALLAboard formalizes the government's commitment to poverty reduction, builds on that commitment and moves forward in a focused, strategic manner. The strategy is structured around four pillars: Safe, affordable housing in supportive communities; Education, jobs and income support; Strong, healthy families; and Accessible, coordinated services.

In February 2012, responsibility for *The Poverty Reduction Strategy Act* was transferred to the Minister of Housing and Community Development. The ALLAboard Committee, including cabinet ministers and four community members, is co-chaired by the Minister of Housing and Community Development and the Minister of Family Services and Labour.

Manitoba has developed a set of 21 indicators to monitor progress on poverty reduction efforts. These measures provide a picture of poverty across the province and will be included in ALLAboard annual reports. The following table reports on three of the indicators that fall under the responsibilities of Housing and Community Development.

As of March 31<sup>st</sup>, 2013, there were 35,826 units of social and affordable housing supported by MHRC.

To see the number of new households served through MHRC programs and services see page 72 and for total number of households in Core Housing need see page 70.

\*Number includes MHRC subsidy and support to personal care home beds.

**ALLAboard Indicator – New Households Served Through The Manitoba Housing and Renewal Corporation (MHRC) Programs and Services**

<b>What is being measured?</b>		<b>Why is it important to measure this?</b>	<b>Where are we starting from (baseline measurement)?</b>	<b>What is the 2012/13 result or most recent available data?</b>	<b>What is the trend over time?</b>
<b>Performance measure</b>	<b>Components of the measure</b>				

**Comments/Recent Actions/Report Links**

As of March 31<sup>st</sup>, 2013, there were 3,220 units that were served through MHRC programs and Services. Of those units, 466 were Portable Housing Benefit units, 421 were new Rent Supplement units, 233 were new Affordable Supply units, 24 units from the Infill Homeownership Program and 412 units received assistance through Repair and Renovation Programs. Lastly, 2,084 households entered social housing programming. Previously secondary suites had been included as a separate line. As of April 1, 2012, secondary suites will be included in the new affordable supply line.

To see the number of total units of social and affordable housing supported by MHRC see page 71 and for total number of households in Core Housing need see page 70.

\* The largest portion of Indicator 2 is the number of new households entering social housing. This measurement is in large part impacted on by the availability of units because of turnover.

## APPENDIX 3 THE PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Manitoba Housing and Community Development for fiscal year 2012/13:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2012 – 2013
<b>The number of disclosures received, and the number acted on and not acted on. <i>Subsection 18(2)(a)</i></b>	NIL
<b>The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i></b>	NIL
<b>In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. <i>Subsection 18(2)(c)</i></b>	NIL

## **APPENDIX 4**

**The Co-operative Loans and Loans Guarantee Board  
FINANCIAL INFORMATION  
FOR THE YEAR ENDING  
MARCH 31, 2013**

## **MEMBERS OF THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD**

**MARCH 31, 2013**

Joy Cramer, Chairperson	- Winnipeg, Manitoba
Craig Marchinko, Secretary	- Winnipeg, Manitoba
John Sandborn	- Swan River, Manitoba
Susan Proven	- Basswood, Manitoba
David Kerr	- Winnipeg, Manitoba

## **MANDATE**

By provision of The Co-operative Association Loans and Loans Guarantee Act, the Board was established by Order-in-Council 1237/71 dated November 18, 1971.

The Board consists of the Deputy Minister of Manitoba Housing and Community Development who serves as Chairperson; one other person from Manitoba Housing and Community Development who serves as Secretary; and other persons appointed by the Lieutenant-Governor in Council.

One of the major objectives is to ensure that cooperative organizations have access to the basic financial services necessary for the development and expansion of viable enterprises to achieve the greatest benefit through economic activity.

The Board is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. To be eligible for such a loan or loan guarantee, a cooperative must demonstrate that:

1. The required financing is not available from other sources on reasonable terms.
2. The loan or loan guarantee is required to assist the organization in carrying out its programs and is for productive purposes.
3. Normal cooperative principles and business practices are being observed.
4. Where possible, reasonable security is available to the lender.

All activities of the Board are administered by Manitoba Housing and Community Development.

## **ACTIVITIES 2012 - 2013**

During the fiscal year ended March 31, 2013, the Board undertook the following activities:

- Held one board meeting.
- Approved a loan to Neechi Foods Co-op Ltd to assist with start up costs and operational requirements.
- Approved a loan guarantee to Organic Producers Association of Manitoba Co-op Inc in the form of a line of credit to assist with operating costs.

The Independent Auditor's Report, together with the financial information for the fiscal year ended March 31, 2013.



The Co-operative Loans and Loans Guarantee Board  
400-352 Donald Street  
Winnipeg, MB R3B 2H8

August 29, 2013

**The Co-operative Loans and Loans Guarantee Board**  
**Responsibility for Financial Reporting**

The accompanying Schedule of Loans and Loan Guarantee Transactions, and other financial information in the Annual Report for the year ended March 31, 2013, are the responsibility of management and have been approved by the Board. This Schedule was prepared by management in accordance with the accounting policies set out in Note 2 to the Schedule. Any financial information contained elsewhere in the Annual Report conforms to the Schedule.

As management is responsible for the integrity of the Schedule, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The responsibility of the Office of the Auditor General is to perform an independent examination of the Schedule of Loans and Loan Guarantee Transactions of the Board in accordance with Canadian generally accepted auditing standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

Original Signed by Joy Cramer

Joy Cramer,  
Chairperson





OFFICE OF THE  
AUDITOR GENERAL  
MANITOBA

## INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba  
To the Co-operative Loans and Loans Guarantee Board

We have audited the accompanying schedule of loans and loan guarantee transactions of the Co-operative Loans and Loans Guarantee Board for the year ended March 31, 2013 and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Schedule**

Management is responsible for the preparation and fair presentation of this schedule in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of the schedule is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the schedule based on our audits. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the schedule presents fairly, in all material respects, the loans and loan guarantee transactions of the Co-operative Loans and Loans Guarantee Board for the year ended March 31, 2013 in accordance with Canadian public sector accounting standards.

### **Basis of Presentation**

Without modifying our opinion we draw attention to note 2a to the schedule, which describes that the Co-operative Loans and Loans Guarantee Board adopted Canadian public sector accounting standards on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retroactively by management to the comparative information in this schedule.

*Office of the Auditor General*

Office of the Auditor General  
August 29, 2013  
Winnipeg, Manitoba

## The Co-operative Loans and Loans Guarantee Board

### Schedule of Loans and Loan Guarantee Transactions

Year ended March 31, 2013

Loans (note 4)	March 31, 2012	Additions	Repayment	March 31, 2013
Neechi Foods Co-op Ltd.	\$ -	\$ 640,000	\$ -	\$ 640,000
	\$ -	\$ 640,000	\$ -	\$ 640,000
Loan Guarantees (note 5)	March 31, 2012	Additions	Cancellations	March 31, 2013
Organic Producers Association of Manitoba Co-op Inc.	\$ 51,000	\$ 40,000	\$ (51,000)	\$ 40,000
	\$ 51,000	\$ 40,000	\$ (51,000)	\$ 40,000

On behalf of the Board:

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Director

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Director

# The Co-operative Loans and Loans Guarantee Board

## Notes to the Schedule

Year ended March 31, 2013

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### 1. General

The Co-operative Associations Loans and Loans Guarantee Act established the Co-operative Loans and Loans Guarantee Board (CLLGB) with the primary objective of ensuring that cooperative organizations have access to basic financial services. The CLLGB is empowered to make loans or guarantee loans to cooperative organizations in Manitoba. Manitoba Housing and Community Development administer the activities of the CLLGB. The Department pays all administrative and general operating costs of the CLLGB. The CLLGB may charge a fee for its loans and loan guarantees. The Department records all revenue received.

### 2. Significant Accounting Policies

#### a) Basis of presentation

On April 1, 2012, the CLLGB adopted the Canadian accounting standards for government not-for-profit organizations. This is the first financial information prepared in accordance with these standards. The Public Sector Accounting Board requires a government not-for-profit organization to comply on a consistent basis with either Public Sector Accounting Standards (PSAS) or PSAS supplemented by not-for-profit standards contained within the PS4200 series of the Public Sector Accounting Handbook (ASGNFPO). The CLLGB has chosen to comply on a consistent basis with ASGNFPO.

In accordance with the transitional provisions of ASGNFPO, the CLLGB has adopted the changes retroactively. The transition date is April 1, 2011 and all comparative information provided has been presented by applying ASGNFPO.

A summary of transitional adjustments recorded to net assets and excess (deficiency) of revenue over expenses is provided in note 3.

- b) Loans are stated as the total amount of principal outstanding.
- c) Loan guarantees are stated at the maximum amount guaranteed.
- d) In the event of a default on a loan or a loan guarantee, the Province of Manitoba is responsible for the associated costs in settling the defaulted amount(s).

### 3. First time adoption of Public Sector Accounting Standards

In previous fiscal years, the CLLGB's financial information were presented in accordance with Canadian generally accepted accounting principles for not-for-profit entities. The Accounting Standards Board has approved the accounting framework choices for government not-for-profit organizations. Effective, April 1, 2012 the CLLGB adopted ASGNFPO.

These new standards were required to be applied retroactively. There were no impact of these changes on prior year information.

# The Co-operative Loans and Loans Guarantee Board

## Notes to the Schedule

Year ended March 31, 2013

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### 4. Loans

#### Neechi Foods Co-op Ltd.

On August 20, 2012, the CLLGB authorized and approved a loan up to \$1,140,000 to Neechi Foods Co-op Ltd. The loan was approved by Order in Council up to \$1,140,000 to the CLLGB and subsequently on November 21, 2012, the initial loan payment of \$640,000 was issued. Repayment of the loan is due two years after the first advance. As of March 31, 2013, the interest accrued on the loan was \$5,129. Interest is calculated at the Province of Manitoba's floating rate plus 0.50%, as of March 31, 2013, the floating rate was 2.25%.

Subsequent to March 31, 2013, there was another advance paid out to Neechi Foods Co-op Ltd in the amount of \$300,000. As of May 27, 2013 the total amount of the loan disbursed was \$940,000.

### 5. Loan guarantees

#### Organic Producers Association of Manitoba Co-op Inc.

On July 14, 2009, the CLLGB approved a loan guarantee not to exceed 85% of the amount outstanding on a line of credit at any time. The line of credit shall not exceed \$115,000. The Sunrise Credit Union accepted the loan guarantee and signed an agreement with the Organic Producers Association of Manitoba Co-op Inc. dated December 7, 2009. The maximum amount of the line of credit shall reduce by \$15,000 on April 15, 2010, and by a further \$40,000 on April 15, 2011. There was no balance on the line of credit at March 31, 2012. The loan guarantee ceased April 1, 2012.

On October 31, 2012, the CLLGB approved a new eight month loan guarantee not to exceed \$40,000. The Vanguard Credit Union accepted the loan guarantee and signed an agreement with the Organic Producers Association of Manitoba Co-op Inc dated November 23, 2012. The loan guarantee period is from November 1, 2012 to June 30, 2013. There was no balance on the line of credit at March 31, 2013.

### 6. Loan Act Authority

The Government of the Province of Manitoba has authorized the following amounts to be expended for funding loans and loan guarantees:

	2013
The Loan Act, 2012	\$ 5,000,000
Outstanding:	
Loans	(640,000)
Guarantees	(40,000)
	<hr/> \$ 4,320,000

# **The Co-operative Loans and Loans Guarantee Board**

## **Notes to the Schedule**

**Year ended March 31, 2013**

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### **7. Compensation disclosure**

The Public Sector Compensation Disclosure Act requires disclosure of the aggregate compensation paid The Co-operative Loans and Loans Guarantee Board members and of individual compensation paid to board members or staff where such compensation is \$50,000 or more per year. For the period from April 1, 2012 to March 31, 2013, The Co-operative Loans and Loans Guarantee Board paid board members an aggregate of \$242 (2012 - \$553). This amount is included in note 8. No individuals received compensation of \$50,000 or more.

### **8. Contributed services**

The Government of the Province of Manitoba provides the services of support staff, other administrative support services, office space and utilities. The cost of support staff services for 2013 is estimated at \$9,864 (2012 - \$11,030) with another \$4,607 (2012 - \$20,810) for provincially paid identified expenses. The costs of other administrative support services, office space and utilities are deemed too difficult to estimate and as such no amount has been determined.

## **APPENDIX 5**

**Manitoba Housing and Renewal Corporation (MHRC)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING**  
**MARCH 31, 2013**



## Independent Auditor's Report

To the Legislative Assembly of Manitoba  
To the Board of Directors of The Manitoba Housing and Renewal Corporation

We have audited the accompanying financial statements of The Manitoba Housing and Renewal Corporation, which comprise of the statement of financial position as at March 31, 2013, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Manitoba Housing and Renewal Corporation as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Office of the Auditor General*

Office of the Auditor General  
July 30, 2013  
Winnipeg, Manitoba

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Statement of Financial Position

Year ended March 31, 2013, with comparative figures for 2012

	2013	2012
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (note 3)	\$ 96,138,540	\$ 107,318,656
Accounts receivable (note 4)	26,140,005	23,642,617
Prepaid expenses	12,552,144	8,529,215
Current portion of loans and mortgages receivable (note 5)	7,396,182	7,478,104
	<u>142,226,871</u>	<u>146,968,592</u>
Other long-term receivables (note 4)	10,670,742	10,974,996
Loans and mortgages receivable (note 5)	120,121,980	121,331,605
Land inventory (note 6)	67,422,765	60,099,348
Capital assets (note 8)	412,538,760	288,336,156
	<u>\$ 752,981,118</u>	<u>\$ 627,710,697</u>
<b>Liabilities, Deferred Contributions and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 70,214,730	\$ 63,707,942
Current portion of long-term debt (note 9)	30,836,936	23,005,547
	<u>101,051,666</u>	<u>86,713,489</u>
Long-term debt (note 9)	728,754,307	627,727,155
Other long-term liabilities (note 10)	19,785,195	17,317,557
Deferred revenue (note 11)	17,882,018	10,798,526
Deferred contributions: (note 12)		
Expenses of future periods	9,432,144	9,118,064
Capital assets	15,625,772	16,474,112
Funds held for third party expenses	18,855,695	9,312,620
Housing Development and Rehabilitation Fund	5,763,994	7,070,662
	<u>49,677,605</u>	<u>41,975,458</u>
Net assets:		
Unrestricted	(164,169,673)	(156,821,488)
Commitments (note 25)		
Contingencies (note 24)		
Guarantees (note 26)		
	<u>\$ 752,981,118</u>	<u>\$ 627,710,697</u>

See accompanying notes to financial statements

On behalf of the Board:

Director

Director

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Statement of Operations

Year ended March 31, 2013, with comparative figures for 2012

	2013	2012
<b>Revenue:</b>		
Grants from the Province of Manitoba (note 13)	\$ 66,219,630	\$ 67,046,063
Contributed services (note 14)	2,292,200	2,269,700
Rental revenue (note 15)	73,126,445	74,179,002
Other government contributions (note 16)	63,707,048	86,313,646
Housing Development and Rehabilitation Fund recovery (note 12)	3,362,314	6,091,154
Recoveries related to advance agreement (note 17)	4,300,000	-
Amortization of deferred contributions (note 12)	224,449	339,771
	<u>213,232,086</u>	<u>236,239,336</u>
<b>Interest:</b>		
Loans and mortgages	11,090,661	11,933,067
Bank and other	183,041	241,147
	<u>11,273,702</u>	<u>12,174,214</u>
<b>Sales of land:</b>		
Joint venture (note 7)	(58,595)	79,689
Waverley West (note 12)	46,209,751	40,028,159
Other land holdings	-	9,177,816
	<u>46,151,156</u>	<u>49,285,664</u>
<b>Gain (loss) on disposal of capital assets</b>	<b>2,355,534</b>	<b>(1,495)</b>
<b>Other</b>	<b>929,911</b>	<b>3,178,826</b>
<b>Total revenue</b>	<b>273,942,389</b>	<b>300,876,545</b>
<b>Expenses:</b>		
Housing operations - excluding amortization and interest (note 15)	119,595,206	131,918,356
Housing operations amortization (note 15)	14,762,645	11,711,671
Housing operations interest (note 15)	21,680,701	20,805,657
Rental subsidies (note 18)	36,785,153	37,345,641
Grants and subsidies (note 19)	4,168,687	4,188,964
Interest expense	13,897,559	14,060,417
Administrative services	3,630,400	3,807,800
Provision for loss and write downs	149,134	782,727
Cost of land sales - joint venture (note 7)	(58,595)	79,689
Cost of land sales - Waverley West (note 12)	46,209,751	40,028,159
Cost of land sales - other land holdings	-	812,950
Housing program supports (note 20)	15,728,637	32,271,521
Pension (note 21)	(304,254)	393,376
Expenses related to advance agreement (note 17)	4,300,000	-
Other amortization	29,893	-
Other	715,657	1,013,303
	<u>281,290,574</u>	<u>299,220,231</u>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ (7,348,185)</b>	<b>\$ 1,656,314</b>

See accompanying notes to financial statements

## THE MANITOBA HOUSING AND RENEWAL CORPORATION

### Statement of Changes in Net Assets

Year ended March 31, 2013, with comparative figures for 2012

	2013	2012
Net assets, beginning of year	\$ (156,821,488)	\$ (158,477,802)
Excess (deficiency) of revenue over expenses	(7,348,185)	1,656,314
<u>Net assets, end of year</u>	<u>\$ (164,169,673)</u>	<u>\$ (156,821,488)</u>

See accompanying notes to financial statements

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Statement of Cash Flows

**Year ended March 31, 2013, with comparative figures for 2012**

	2013	2012
<b>Operating activities:</b>		
Excess (deficiency) of revenue over expenses	\$ (7,348,185)	\$ 1,656,314
Non-cash changes in operations:		
Amortization of capital assets	14,762,645	11,711,671
Amortization of other capital assets	29,893	-
Amortization of deferred contributions related to capital assets	(224,449)	(339,771)
Provision for loss and write downs	149,134	782,727
Loss (gain) on disposal of capital assets	(2,355,534)	1,495
Change in non-cash working capital:		
Accounts receivable	(2,497,388)	7,435,958
Prepaid expenses	(4,022,929)	2,390,415
Other long-term receivables	304,254	(393,376)
Land inventory	(7,323,417)	(11,583,199)
Accounts payable and accrued liabilities	6,506,788	6,517,410
Other long-term liabilities	2,467,638	4,549,441
Net increase/(decrease) in deferred revenue	7,083,492	(731,597)
Net increase/(decrease) in deferred contributions related to expenses of future periods	314,080	(36,402,456)
Net decrease in deferred contributions related to Housing Development and Rehabilitation Fund	(1,306,668)	(912,554)
<u>Net increase/(decrease) in deferred contributions related to funds held for third party expenses</u>	<u>9,543,075</u>	<u>(1,388,855)</u>
	16,082,429	(16,706,377)
<b>Capital activities:</b>		
Net increase/(decrease) in deferred contributions related to capital assets	(623,891)	13,561,664
Proceeds from disposal of land	7,974	2,975
Proceeds from disposal of capital assets	2,475,913	-
Purchase of capital assets	(139,123,495)	(110,949,979)
	(137,263,499)	(97,385,340)
<b>Investing activities:</b>		
Additions to loans and mortgages receivable	(10,797,170)	(4,644,230)
Proceeds from repayment of loans and mortgages receivable	11,939,583	8,441,771
	1,142,413	3,797,541
<b>Financing activities:</b>		
Repayment of long-term debt	(210,113,482)	(72,972,948)
Repayment of long-term debt - on retirement	-	(6,806,772)
Proceeds from long-term debt	318,972,023	160,487,351
	108,858,541	80,707,631
Net decrease in cash	(11,180,116)	(29,586,544)
Cash, beginning of year	107,318,656	136,905,200
<u>Cash, end of year</u>	<u>\$ 96,138,540</u>	<u>\$ 107,318,656</u>

See accompanying notes to financial statements

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 1. General

The Manitoba Housing and Renewal Corporation (MHRC) operates under the authority of The Housing and Renewal Corporation Act, being Chapter H 160 Revised Statutes of Manitoba 1987. The purposes and objectives of the Act are:

- a) to ensure that there is an adequate supply of housing stock in Manitoba;
- b) to enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of low and moderate income and those with specialized needs;
- c) to maintain and improve the condition of existing housing stock; and
- d) to stimulate and influence the activities of the housing market to the benefit of Manitobans as a whole.

MHRC is under the management and control of a Board of Directors appointed by the Lieutenant Governor in Council. The board shall consist of not fewer than five members and not more than 13 members and the Lieutenant Governor in Council may designate one of the members of the board as chairperson and one member as vice-chairperson.

MHRC is economically dependent on the Government of the Province of Manitoba.

### 2. Significant accounting policies

#### a) Basis of presentation

These financial statements are prepared in accordance with Canadian public accounting standards including PS 4200 series for government not-for-profit organizations.

#### b) Revenue recognition

MHRC follows the deferral method of accounting for contributions. Under the deferral method of accounting for contributions, restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recognized in the fiscal period during which the service is provided.

Land sales are recognized in the period in which the ownership is transferred, except for the profit component associated with land development revenue. Land development profits are restricted in use by Legislation and therefore revenue recognition is deferred until the profits are used to support eligible expenditures (note 12).

Interest is recognized on an accrual basis in the fiscal period in which it is earned.

#### c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and highly liquid trust deposits with the Province of Manitoba that are convertible to cash within three months or less.

#### d) Financial instruments

Financial instruments are recorded at cost or amortized cost on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost using the effective interest method, unless management has elected to carry a group of financial instruments at fair value in accordance with its risk management or investment strategy. MHRC has not elected to carry any such group of financial instruments at fair value.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the effective interest method.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 2. Significant accounting policies continued

#### e) Loans and mortgages receivable

MHRC maintains an allowance for loan impairment, which reduces the carrying value of loans and mortgages receivable to their estimated realizable amounts. Depending on the program under which the loan or mortgage is made, estimated realizable amounts are determined with reference to MHRC's historical loss experience on similar loans or the appraised value of the project financed by the loan or mortgage.

Specific allowances are established for individual loans and mortgages for which the estimated realizable amount is less than the carrying value. MHRC does not provide an additional non-specific, general provision for loan impairment. MHRC's Board of Directors has approved a policy which defines whether an individual mortgage or loan balance is to be considered impaired based on the time period that it has been in arrears.

Loan forgiveness for forgivable loans is approved in accordance with the terms of the loan agreements. MHRC records an asset valuation allowance equal to the amount of the loan at the time the loan is granted. As forgiveness conditions are met by the borrower, MHRC records the annual forgiveness by reducing both the forgivable loan and the accompanying valuation allowance. Any Federal contributions towards forgivable loans are recorded as revenue as loans are disbursed.

#### f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Construction in progress is transferred to the appropriate capital asset category when the project is completed and the asset is placed in service at which time, amortization commences. Cost includes direct construction costs, land acquisition costs and interest and other related carrying charges incurred during the period of construction. Repairs and maintenance costs are charged to expense. Betterments which extend or improve the life of an asset are capitalized. When a capital asset no longer contributes to the MHRC's ability to provide services, its carrying amount is written down to its residual value. Amortization is provided on a straight-line basis at the following rates:

Asset	Rate
Buildings	25 and 40 years
Building improvements	15 years
Leasehold improvements	Over the lease term
Computer - major application	15 years
Computer software - other	4 years
Computer system - hardware	4 years
Furniture and equipment	8 years

#### g) Land inventory

Land under development includes the value of land and all costs directly related to the land improvement. Development costs include but are not limited to site preparation, architectural, engineering, surveying, fencing, landscaping and infrastructure for electrical, roads and underground works.

Land held for future development or sale is valued at the lower of cost or appraised value adjusted for estimated disposition costs. Cost includes the original purchase price and related acquisition costs.

#### h) Interest in joint ventures

The interest in joint venture is recognized using the proportionate consolidation method. Proportionate consolidation is a method of accounting and reporting whereby MHRC's pro-rata share of each of the assets, liabilities, revenues and expenses of the joint venture is combined on a line by line basis with similar items in MHRC's financial statements.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 2. Significant accounting policies continued

#### i) Employee future benefits

MHRC accrues its obligations under the defined benefit plans as the employees render the services necessary to earn the pension, severance, compensated absences and other retirement benefits. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefits uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The most recent actuarial valuation of the benefit plans for funding purposes was as of March 31, 2013, and the next required valuation will be as of March 31, 2014.

Actuarial gains/(losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets, if applicable, for that period. Actuarial gains/(losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains/(losses) are amortized over the average remaining service period of active employees. The average remaining service period of the active employees covered by the pension plan is 12 years (2012 - 14 years).

Past service costs arising from plan amendments are recognized immediately in the period the plan amendments occur.

Current service contributions for Direct Managed employees are recognized as operating expenses.

#### j) Contributed services

Under an agreement entered into between MHRC and the Province of Manitoba in 1984, the Department provides administrative services to MHRC at no cost. The value of these contributed and administrative services is recorded as revenue and expenses.

#### k) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets, accounts receivable, loans and mortgages receivable, accrued liabilities, and other long-term liabilities. Actual results could differ from those estimates.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 3. Cash and cash equivalents

	2013	2012
On deposit with the Minister of Finance:		
Trust deposits	\$ 20,476,998	\$ 15,802,413
Risk Reserve related to Social Housing Agreement	9,139,017	9,038,532
	29,616,015	24,840,945
Bank	66,514,475	82,469,586
Petty cash	8,050	8,125
	<hr/>	<hr/>
	\$ 96,138,540	\$ 107,318,656

### 4. Accounts receivable

	2013	2012
Current accounts receivable:		
Canada Mortgage and Housing Corporation	\$ 6,692,244	\$ 9,017,434
Government of the Province of Manitoba and its agencies	3,471,002	1,727,830
Rent receivables - net of allowance of \$6,296,072 (2012 - \$6,716,083)	4,233,820	4,186,497
Accrued interest on loans and mortgages receivable	841,500	741,956
City of Winnipeg	218,101	57,771
Other - net of allowance of \$590,145 (2012 - \$437,568)	10,683,338	7,911,129
	26,140,005	23,642,617
Other long-term receivables		
Government of the Province of Manitoba:		
Pension recoverable (note 21)	9,224,637	9,528,891
Severance benefits (note 22)	1,446,105	1,446,105
	10,670,742	10,974,996
	<hr/>	<hr/>
	\$ 36,810,747	\$ 34,617,613

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 5. Loans and mortgages receivable

#### a) Composition of loans and mortgages receivable

	2013	2012
Federal/Provincial Housing Programs:		
Private Non-Profit Housing	\$ 81,649,125	\$ 85,225,008
Rural and Native Housing	636,235	841,998
Urban Native Housing	14,888,718	17,500,607
	<u>97,174,078</u>	<u>103,567,613</u>
Market Rental Programs:		
Co-operative HomeStart	7,164,698	7,414,740
Co-operative Index Linked	4,005,166	4,642,074
Manitoba Rural RentalStart	192,246	222,356
Manitoba Senior RentalStart	-	4,197,174
	<u>11,362,110</u>	<u>16,476,344</u>
Other Programs:		
Community Residences	1,791,706	1,946,843
Market Homeowner	-	1,894
Homeowner Rehabilitation	72,090	93,455
Affordable Rental Housing	13,986,668	4,055,081
Other	6,778,804	6,348,570
	<u>22,629,268</u>	<u>12,445,843</u>
Less - allowance for loan impairment	131,165,456	132,489,800
Subtotal repayable loans and mortgages receivable	(3,647,294)	(3,680,091)
Forgivable loans	127,518,162	128,809,709
	<u>216,851,812</u>	<u>204,293,643</u>
Less - forgivable loans asset valuation allowance	344,369,974	333,103,352
Loans and mortgages receivable	(216,851,812)	(204,293,643)
	<u>\$ 127,518,162</u>	<u>\$ 128,809,709</u>
Current portion of loans and mortgages receivable	\$ 7,396,182	\$ 7,478,104
Long-term portion of loans and mortgages receivable	120,121,980	121,331,605
Loans and mortgages receivable	<u>\$ 127,518,162</u>	<u>\$ 128,809,709</u>

Loans and mortgages receivable bear interest at various rates between 0% and 14.25% with maturities at various dates to 2035.

Principal repayments on the loans and mortgages maturing in the next five years are estimated as follows:

2014	\$ 7,396,182
2015	7,298,768
2016	7,718,829
2017	7,971,384
2018	8,150,057
Thereafter	<u>92,630,236</u>
	<u>\$ 131,165,456</u>

#### b) Allowance for loan impairment

The allowance for loan impairment is comprised of the following specific provisions:

	2013	2012
Market rental programs	\$ 705,810	\$ 705,810
Other programs	2,941,484	2,974,281
	<u>\$ 3,647,294</u>	<u>\$ 3,680,091</u>

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 6. Land inventory

	2013	2012
Land under development	\$ 64,669,195	\$ 57,343,945
Future development or sale	2,753,570	2,755,403
	<b>\$ 67,422,765</b>	<b>\$ 60,099,348</b>

### 7. Joint venture

MHRC contributed 179 acres of land, at appraised value, to a joint venture with Ladco Company Limited on May 11, 1989. The joint venture activities include the servicing, development and sale of approximately 476 acres of land in the City of Winnipeg, Manitoba.

Joint venture profits are recorded under deferred revenue - Housing Development and Rehabilitation Fund until such time as the profits are required for expenditures. The amount reduced in 2013 from the sales of land for deferred revenue was \$58,595 (2012 - \$712,731).

The following is a summary of MHRC's pro rata share at 37.6% of the assets, liabilities, revenues and expenses of the Ladco Company Limited joint venture.

	2013	2012
Current assets:		
Cash	\$ 1,741,958	\$ 1,608,961
Prepaid expenses	12,870	16,231
Accounts receivable from land sales	203,180	329,766
	<b>1,958,008</b>	<b>1,954,958</b>
Long-term assets:		
Development costs to complete	(72,695)	(88,354)
	<b>\$ 1,885,313</b>	<b>\$ 1,866,604</b>
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,727	\$ 42,613
Net assets	1,882,586	1,823,991
	<b>\$ 1,885,313</b>	<b>\$ 1,866,604</b>

	2013	2012
Sales of land	\$ 0	\$ 792,420
Cost of land sales - recovery	(50,381)	45,473
Gross margin	50,381	746,947
Expenses	(8,214)	34,216
Excess of revenue over expenses	<b>\$ 58,595</b>	<b>\$ 712,731</b>

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 8. Capital assets

	2013	2012
Land	\$ 28,251,571	\$ 27,758,115
Buildings and improvements	618,139,574	491,665,278
Less - accumulated amortization	(398,653,285)	(384,376,005)
Buildings - net book value	219,486,289	107,289,273
Under construction	162,684,179	152,979,749
Total land and buildings	410,422,039	288,027,137
Other assets	3,609,021	1,748,938
Less - accumulated amortization	(1,492,300)	(1,439,919)
Other assets - net book value	2,116,721	309,019
Net book value	\$ 412,538,760	\$ 288,336,156

MHRC has capitalized \$1,231,671 (2012 - \$683,759) of interest during fiscal 2013 to construction in progress.

### 9. Long-term debt

	2013	2012
Government of the Province of Manitoba:		
Advances, interest only payments until construction is complete, at which point it is converted into long-term advances. The interest rate as at March 31, 2013 was 2.25% (2012 - 2.25%).	\$ 268,853,120	\$ 270,114,874
Long-term advances, at interest rates from 3.050% to 13.375% maturing at various dates to 2029 and requiring annual principal and interest payments of \$48,116,334 (2012 - \$41,352,871).	363,716,199	247,009,059
Canada Mortgage and Housing Corporation:		
Long-term advances, at interest rates from 5.675% to 8.0% maturing at various dates to 2030 and requiring annual principal and interest payments of \$14,449,688 (2012 - \$14,449,688).	126,553,408	133,106,566
Mortgages payable (assumed on property acquisitions), at an interest rate of 10.5% maturing at various dates to 2028 and requiring annual principal and interest payments of \$70,819 (2012 - \$70,819).	468,516	502,203
	<hr/> \$ 759,591,243	<hr/> \$ 650,732,702
Current portion of long-term debt	\$ 30,836,936	\$ 23,005,547
Long-term debt	728,754,307	627,727,155
	<hr/> \$ 759,591,243	<hr/> \$ 650,732,702

Principal repayments on the long-term debt, excluding unfixed term advances of \$268,853,120, are estimated as follows:

2014	\$ 30,836,936
2015	32,430,036
2016	33,696,461
2017	34,788,486
2018	33,915,544
Thereafter	325,070,660
	<hr/> \$ 490,738,123

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

### 10. Other long-term liabilities

	2013	2012
Pension liability (note 21)	\$ 9,224,637	\$ 9,528,891
Severance liability (note 22)	4,112,925	3,674,483
Sick leave liability	727,956	657,241
Other accrued long-term liabilities related to land development	5,719,677	3,456,942
	<hr/>	<hr/>
	\$ 19,785,195	\$ 17,317,557

### 11. Deferred revenue

	2013	2012
Tenant prepaid rent	\$ 2,125,210	\$ 2,356,949
Prepaid land lease	40,898	42,435
Lot options - land under development	11,906,860	8,394,701
Deposit for future sales	3,809,050	4,441
	<hr/>	<hr/>
	\$ 17,882,018	\$ 10,798,526

### 12. Deferred contributions

#### a) Expenses of future periods

Deferred contributions related to expenses of future periods represent restricted funding received under various agreements primarily to mitigate future operating risks.

	2013	2012
Balance, beginning of year	\$ 9,118,064	\$ 45,520,520
Adjustment to third party equity accounts	13,040	(14,851)
Amount reclassified from accounts payable and accrued liabilities	5,705	56,407
Amount reclassified to deferred contributions - capital assets	-	(12,833,995)
Amount reclassified to funds held for third party expenses	-	(53,777)
Amount recognized as revenue in the year	-	(23,556,240)
Amount recovered from loans and mortgages receivable	295,335	-
	<hr/>	<hr/>
Balance, end of year	\$ 9,432,144	\$ 9,118,064

#### b) Capital assets

Deferred contributions related to capital assets represent the unamortized amount of grants and other contributions received for the construction and rehabilitation of capital assets.

	2013	2012
Balance, beginning of year	\$ 16,474,112	\$ 3,252,219
Contributions received	50,001	-
Amount reclassified from deferred contributions - expenses of future periods	-	12,833,995
Amount reclassified from funds held for third party expenses	53,777	-
Amount reclassified from/to funds held for third party expenses	(727,669)	727,669
Amount amortized to revenue in the year	(224,449)	(339,771)
	<hr/>	<hr/>
Balance, end of year	\$ 15,625,772	\$ 16,474,112

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 12. Deferred contributions continued

#### c) Funds held for third party expenses

Deferred contributions related to funds held for third party expenses represents restricted funding received under two agreements with the Federal government. They consist of the Investment in Affordable Housing (IAH) and Affordable Housing Initiative (AHI) agreements. The balances as of March 31, 2013 for IAH was \$15,256,374 (2012 - \$758,906) and AHI was \$3,599,321 (2012 - \$8,553,714).

	2013	2012
Balance, beginning of year	\$ 9,312,620	\$ 10,701,475
Contributions received	17,883,648	5,881,524
Interest earned	120,774	86,386
Amount reclassified from/(to) deferred contributions - capital assets	727,669	(727,669)
Amount reclassified from/(to) deferred contributions - expenses of future periods	(53,777)	53,777
Commitment paid	(9,135,239)	(6,682,873)
 Balance, end of year	 \$ 18,855,695	 \$ 9,312,620

#### d) Housing Development and Rehabilitation Fund

On November 8, 2007, The Housing and Renewal Corporation Amendment Act provided for the establishment of a fund known as the "Housing Development and Rehabilitation Fund".

The fund is to be credited with suburban land development profits realized by MHRC in respect of land owned or developed by it or by a partnership or joint venture in which MHRC is or was a participant. The gross proceeds from land development was \$48,077,250 (2012 - \$45,221,320) and the cost of land sales was \$46,151,156 (2012 - \$40,107,848) during the year ended March 31, 2013. Interest earned on the amounts is to be credited to the fund. The fund may be used to provide support for housing projects in areas of need within a municipality in which MHRC realized profits, including the development of new housing or the rehabilitation of existing housing.

All costs allocated to the portions of land sold in a land development project are deducted from the gross proceeds realized from sale of those portions of land in order to determine land development profits. MHRC uses the net yield method to allocate costs to the individual portions which are sold as part of a land development project. Common costs for the development project are allocated to portions which are sold based on acreage, and the cost allocation includes both an allocation of actual land development costs incurred as well as an allocation of costs which are required to complete those portions of the land which are reported as sold.

	2013	2012
Balance, beginning of year	\$ 7,070,662	\$ 7,983,216
Land development profits	1,926,094	5,113,472
Interest earned	129,552	65,128
Current year disbursements	(3,362,314)	(6,091,154)
 Balance, end of year	 \$ 5,763,994	 \$ 7,070,662

### 13. Grants from the Province of Manitoba

	2013	2012
Department of Housing and Community Development:		
MHRC operating programs	\$ 49,399,222	\$ 49,983,910
MHRC administration	14,069,778	13,601,090
Grants and subsidies	2,886,828	2,867,928
	66,355,828	66,452,928
Grants recovered from the Department of Finance:		
School Tax Assistance for Tenants 55 Plus Program	168,056	199,759
Pension recovery (note 21)	(304,254)	393,376
	(136,198)	593,135
	\$ 66,219,630	\$ 67,046,063

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 14. Contributed services

	2013	2012
Administrative services provided by Departments of the Province of Manitoba were allocated as follows:		
Included in Statement of Operations, administrative services	\$ 785,600	\$ 940,500
Included in administrative expenses in note 15, direct managed housing operations	1,134,400	896,200
Included in administrative expenses in note 15, sponsor managed housing operations	29,600	24,600
Included in rental subsidies, note 18	185,200	228,600
Included in Statement of Operations, housing program supports, note 20	157,400	179,800
	<hr/>	<hr/>
	\$ 2,292,200	\$ 2,269,700

### 15. Housing operations

The management and operation of all MHRC owned social housing projects are direct managed and sponsor managed. The operating results are as follows:

	2013			2012		
	Direct Managed	Sponsor Managed	Total	Direct Managed	Sponsor Managed	Total
<b>Revenue</b>						
Rental revenue	\$ 57,175,527	\$ 15,950,918	\$ 73,126,445	\$ 57,016,226	\$ 17,162,776	\$ 74,179,002
<b>Expenses</b>						
Administrative (note 14)	34,406,786	3,150,985	37,557,771	30,726,562	3,315,748	34,042,310
Property operating	51,374,751	15,059,140	66,433,891	65,029,504	19,167,774	84,197,278
Grants in lieu of taxes	13,278,732	2,324,812	15,603,544	11,219,937	2,458,831	13,678,768
Amortization	12,639,648	2,122,997	14,762,645	9,004,360	2,707,311	11,711,671
Interest	18,371,098	3,309,603	21,680,701	17,419,243	3,386,414	20,805,657
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating loss	\$ 72,895,488	\$ 10,016,619	\$ 82,912,107	\$ 76,383,380	\$ 13,873,302	\$ 90,256,682

### 16. Other government contributions

Pursuant to the Social Housing Agreement executed by MHRC and CMHC, CMHC will pay fixed annual contributions to MHRC for individual housing projects over the remainder of the CMHC subsidy commitment period. The Agreement took effect October 1, 1998 and has a funding expiration date of August 31, 2031.

	2013	2012
Federal contributions	\$ 63,431,498	\$ 86,149,168
Municipal contributions	275,550	164,478
	<hr/>	<hr/>
	\$ 63,707,048	\$ 86,313,646

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 17. Advance agreement

In December 2012, MHRC along with the Province of Manitoba entered into an advance agreement with Little Saskatchewan First Nation to transfer 34 homes to the First Nation and provide up to \$4,300,000 in site relocation costs to be used for the purposes of paying the costs of preparation, transportation and reinstallation of the homes and other site settlement costs. As a condition of the agreement, the Federal government agreed to pay 50% of the costs associated with 1) the costs of the homes and 2) the site relocation costs, with the Province assuming responsibility for the remaining 50%. As of March 31, 2013, there was no expense or recovery recorded in the financial statements for the cost of the homes as the transfer of the homes did not occur in fiscal 2013.

As of March 31, 2013, MHRC has transferred \$4,300,000 for site relocation costs to the First Nation's trustee to be used to discharge site settlement costs and has reflected this as an expense in the Statement of Operations. MHRC has recognized the recovery for both the Provincial and Federal portions of these costs as revenue and receivable in the financial statements.

### 18. Rental subsidies

Rental subsidies are provided in accordance with project operating agreements with third parties which establish the basis of eligibility for subsidy assistance. The net rental subsidies required by these organizations are as follows:

	2013	2012
Not-for-Profit Housing	\$ 26,487,296	\$ 27,480,957
Co-operative Housing	4,153,989	4,141,299
Private Landlords	6,143,868	5,723,385
	<hr/> \$ 36,785,153	<hr/> \$ 37,345,641

### 19. Grants and subsidies

	2013	2012
Portable Housing Benefit	\$ 1,655,328	\$ 1,533,441
Emergency Shelter Assistance	1,231,500	1,334,488
School Tax Assistance for Tenants 55 Plus	168,056	199,759
Elderly & Infirm Persons Housing	145,099	181,315
Co-op HomeStart	85,848	72,689
Homeless Strategy	882,856	867,272
	<hr/> \$ 4,168,687	<hr/> \$ 4,188,964

### 20. Housing program supports

	2013	2012
Forgivable loans (note 5)	\$ 12,863,691	\$ 29,533,915
Administration and delivery agent fees	2,864,946	2,737,606
	<hr/> \$ 15,728,637	<hr/> \$ 32,271,521

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 21. Pension obligations

Employees of MHRC and Direct Managed employees are eligible for pensions under the Manitoba Civil Service Superannuation Fund. This pension plan is a defined benefit plan, which requires MHRC to contribute an amount approximately equal to the employees' contribution to the Superannuation Fund for current services. Such payments are charged to housing operations as incurred and MHRC has no further liability associated with the annual cost of pension benefits earned by Direct Managed employees at this time. Pension expense recorded for Direct Managed employees for the year ended March 31, 2013 was \$1,172,949 (2012 - \$993,422).

MHRC has a liability associated with the annual cost of pension benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003. This liability consists of the employer's share of pension benefits paid to retired employees, as well as the increase in the unfunded pension liability during the fiscal year. This liability is determined by an actuarial valuation each year based on data provided by MHRC with the balances for the intervening year being estimated by a formula provided by the actuary. The most recent valuation was completed at March 31, 2013.

	2013	2012
Balance at beginning of year	\$ 9,528,891	\$ 9,135,515
Experience (gain)/loss	(317,640)	(274,065)
Benefits accrued	1,135,744	799,204
Interest accrued on benefits	600,303	596,126
Benefits paid/retired and terminations released	(1,722,661)	(727,889)
 Balance at end of year	 \$ 9,224,637	 \$ 9,528,891

The above liability is in respect of active employees only and does not reflect any liability with respect to retired or former employees. The key actuarial assumptions were a rate of return of 6.0% (2012 - 6.0%), 2.0% inflation (2012 - 2.0%), general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2012 - 2.75%) and post retirement indexing at 2/3 of the inflation rate. The projected benefit method was used and the liability has been calculated as at March 31, 2013 by the actuary.

The Province of Manitoba has accepted responsibility for funding MHRC's liability and related expense which includes an interest component. Therefore, MHRC has recorded a receivable from the Provincial of Manitoba equal to the estimated value of its actuarially determined pension liability of \$9,224,637 as of March 31, 2013 (2012 - \$9,528,891) and has recorded a decrease in revenue for fiscal 2013 equal to the related pension expense decrease of \$304,254 (2012 - \$393,376 increase). The Province of Manitoba makes payments on the receivable when it is determined that the cash is required to discharge the related pension obligation.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 22. Severance

#### a) Severance pay liability

Effective April 1, 1998, MHRC commenced recording the estimated liability for accumulated severance pay benefits for its Direct Managed employees. The amount of this estimated liability is determined and recorded annually using the method of calculation set by the Province of Manitoba.

Severance pay, at the employee's date of retirement, will be determined by multiplying the eligible employee's years of service (to a maximum of 22 or 15 years) by the employee's weekly salary at the date of retirement. Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from MHRC.

An actuarial report was completed for the severance pay liability as at March 31, 2013. MHRC's actuarially determined liability relating to the Direct Managed employees as at March 31, 2013 was \$2,895,595 (2012 - \$2,438,148). The report provides a formula to update the liability on an annual basis.

MHRC recorded a severance liability as at April 1, 2003 in the amount of \$569,000 associated with the severance benefits earned by the former Department of Family Services and Housing employees who were transferred to MHRC on February 8, 2003. The amount of this estimated liability is determined and recorded annually using a method of calculation set by the Province of Manitoba.

An actuarial report was completed for the severance pay liability as at March 31, 2013. MHRC's actuarially determined liability relating to the former Department of Family Services and Housing employees as at March 31, 2013 was \$1,217,330 (2012 - \$1,236,335). The report provides a formula to update the liability on an annual basis.

The key actuarial assumptions were a rate of return of 6.0% (2012 - 6.0%), 2.0% inflation (2012 - 2.0%), and general salary rate increases of 2.75%, excluding the 1.0% service and merit increases (2012 - 2.75%). The projected benefit method was used and the liability has been calculated as at March 31, 2013 by the actuary.

#### b) Severance pay receivable

The Province of Manitoba has accepted responsibility for the severance pay benefits accumulated to March 31, 1998 by MHRC's employees. Accordingly, MHRC recorded effective April 1, 1998, a receivable of \$877,105 from the Province of Manitoba, which was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at March 31, 1998. Subsequent to March 31, 1998, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

The amount recorded as a receivable from the Province for severance pay of \$569,000 for former Department of Family Services and Housing employees was initially based on the estimated value of the corresponding actuarially determined liability for severance pay as at April 1, 2003. Subsequent to April 1, 2003, the Province provides annual grant funding for severance expense. As a result the change in the severance liability each year is fully funded. The interest component related to the receivable is reflected in the funding for severance expense. The receivable for severance pay will be paid by the Province when it is determined that the cash is required to discharge the related severance pay liabilities.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 23. Financial instruments and financial risk management

Financial instruments comprise the majority of MHRC assets and liabilities. MHRC risk management policies are designed to: identify and analyze risk, set appropriate risk limits and controls, and monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Board of Directors approves these policies and management is responsible for ensuring that the policies are properly carried out. The Board of Directors receives confirmation that the risks are being appropriately managed through regular reporting, third party compliance reporting and by reviews conducted by MHRC.

MHRC is exposed to credit, interest, and liquidity risks in respect of its use of financial instruments.

#### a) Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The financial instruments that potentially subject MHRC to credit risk consist principally of accounts receivable, loans and mortgages receivable and guarantees on loans. MHRC's deposits are held by the Province of Manitoba who guarantees the associated payments of principal and interest.

MHRC's maximum possible exposure to credit risk is as follows:

	2013	2012
On deposit with the Minister of Finance (note 3)	\$ 29,616,015	\$ 24,840,945
Accounts receivable (note 4)	36,810,747	34,617,613
Loans and mortgage receivable (note 5)	127,518,162	128,809,709
Loan guarantees (note 26)	9,605,948	14,292,198
	<hr/> \$ 203,550,872	<hr/> \$ 202,560,465

MHRC establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on MHRC's estimates and assumptions regarding customer analysis, historical payment trends and statutes of limitations. These factors are considered when determining whether past due accounts are allowed for or written off.

The change in the allowance for doubtful accounts during the year was as follows:

	2013	2012
Balance, beginning of the year	\$ 7,153,651	\$ 6,474,898
Provision for receivable impairment	711,131	980,018
Amounts written off	(978,565)	(301,265)
Balance, end of the year	<hr/> \$ 6,886,217	<hr/> \$ 7,153,651

As at March 31, 2013, \$4,501,960 (2012 - \$4,571,944) of accounts receivable and \$200,322 (2012 - \$100,606) of loans and mortgages receivable were past due, but not impaired.

#### On deposit with the Minister of Finance

MHRC is not exposed to significant credit risk as its investments are held by the Province of Manitoba and the Province of Manitoba guarantees the associated payments of principal and interest.

#### Accounts receivable

The accounts receivable partially consists of \$6,692,244 (2012 - \$9,017,434) due from Canada Mortgage and Housing Corporation and \$14,141,744 (2012 - \$12,702,826) from the Province of Manitoba.

#### Loans and mortgage receivable

Impairment provisions are provided for losses that have been estimated as of the Statement of Financial Position date. Management of credit risk is an integral part of MHRC's activities with careful monitoring and appropriate remedial actions being taken.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 23. Financial instruments and financial risk management continued

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate exposure relates to on deposit with the Minister of Finance, loans and mortgages receivable, and long-term debt.

##### On deposit with the Minister of Finance

MHRC's cash equivalents on deposit with the Minister of Finance consists mainly of short-term interest bearing investments. These investments are normally held to maturity so changes in interest rates do not affect the value of the investments.

##### Loans and mortgage receivable/loans from the Province of Manitoba

MHRC borrows funds for lending operations from the Province of Manitoba at fixed rates and normally lends those funds to clients at reasonable percentage above the associated borrowing rate. For long-term advances that have fixed interest rates for the full term of the advance and MHRC only offers fixed interest rate loans to its clients. Due to this corresponding arrangement, MHRC does not incur significant interest rate risk. However, some interest rate risk may result due to MHRC's lending policy of allowing prepayment of loans without penalty, given that MHRC does not have the offsetting ability to prepay the associated advances from the Province of Manitoba without penalty. MHRC mitigates this risk by closely matching the cash flow from client loan payments, including estimated annual prepayments, to the cash flow required to repay advances from the Province of Manitoba.

In addition, MHRC's advance from the Province of Manitoba have variable interest rates which expose MHRC to cash flow interest rate risk. At March 31, 2013, had prevailing interest rates increased or decreased by 1%, the estimated impact on interest expense would be approximately \$2,688,531 (2012 - \$2,701,149).

#### c) Liquidity risk

Liquidity risk relates to MHRC's ability to access sufficient funds to meet its financial commitments.

Advances from the Province of Manitoba have a direct correlation to the loans receivable as the funds borrowed are directly lent to MHRC clients. Funding is provided by the Province of Manitoba for the full amount of loans that are written off. Subsequently, MHRC has minimal liquidity risk on its lending portfolio in respect of advances from the Province of Manitoba.

### 24. Contingencies

MHRC is involved in legal proceedings arising in the normal course of business, the outcome of which cannot be predicted at this time. In the opinion of management, the disposition of these cases will not materially affect the financial position of MHRC. Any settlement will be recognized in the year the settlement occurs.

# THE MANITOBA HOUSING AND RENEWAL CORPORATION

## Notes to Financial Statements

Year ended March 31, 2013

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### 25. Commitments

MHRC has the following commitments as at March 31, 2013:

Capital assets:

a) Housing project enhancements and new construction	\$ 163,029,362
b) Third party repair, renovation and new construction	\$ 17,920,828

Public housing operations:

As a result of the Social Housing Agreement dated September 3, 1998, MHRC is fully responsible for the funding commitments of all Social Housing Projects in Manitoba. These commitments will expire on a staggered basis over the period ending 2031, concurrent with the Social Housing Agreement funding expiration date of August 31, 2031. An estimate of these commitments for each of the next five years is as follows:

2014	\$ 80,756,000
2015	94,217,800
2016	102,879,700
2017	111,594,800
2018	116,813,400

### 26. Guarantees

MHRC has guaranteed the repayment of mortgages and has issued letters of credit which guarantee the terms and conditions of land development agreements and construction contracts. The total authorized for MHRC is \$20,000,000. The outstanding guarantees are as follows:

	2013	2012
Waverley West Letters of Credit	\$ 9,517,096	\$ 9,690,746
River Point Centre	35,400	-
Oddy at Westland Letter of Credit	31,200	31,200
Mobile Home Loan Guarantee Program	22,252	22,252
Joint Venture Investment Guarantee (note 7)	-	2,400,000
Bridgepark Loan Guarantee	-	2,148,000
	<hr/> \$ 9,605,948	<hr/> \$ 14,292,198

### 27. Related party transactions

MHRC is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. MHRC enters into transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.

### 28. Comparative figures

Certain comparative figures in the financial statements have been restated to conform with the presentation of the current year.